

**DJ Carmichael Pty Limited
Client Information Booklet**

**Please read this booklet before
signing the Account Application Form.**





DJ CARMICHAEL PTY LIMITED

ABN 26 003 058 857
Participant of Australian Securities Limited
Australian Financial Services Licence No 232571

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Note: All our forms, Privacy Agreement and Terms and Conditions
can be downloaded from our website www.djcarmichael.com.au

D.J. Carmichael

ESTABLISHED 1896

It is important that you read and understand this booklet prior to signing and returning documents to establish your share trading account.

If you have any questions regarding any of the information contained in this booklet please do not hesitate to contact your DJ Carmichael Investment Adviser

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OPENING AN ACCOUNT

Welcome

We have pleasure in welcoming you to D J Carmichael Pty Limited trading as D J Carmichael Pty Limited. Our Firm has over 100 years investment experience and we take great pride in ensuring you receive quality investment advice and the highest standards of service.

DJ Carmichael Pty Limited ("D J Carmichael") offers a wide range of services including: Investment Advice on the following Financial Products :

- Listed securities, including warrants traded on the Australian Stock Exchange ("ASX").
- Managed Funds.
- Derivatives
- Strategic Portfolio Planning.
- Fixed Interest and High Yielding Investments.
- Margin Lending.
- Research
- Corporate Advice and Capital Raisings.
- International dealing (execution only)

To become a client of D J Carmichael you need to complete a number of forms. We strongly urge you to read our **Financial Services Guide** which explains our role, sets out fees and charges and answers many of the questions you may have prior to making a decision to become a client. Your Adviser will be happy to assist you with any queries.

Opening Your New Account

To open your new account you will need to complete and provide us with the following:

Individual Client/(s) Accounts:

- Account Details Form with your Personal information, financial circumstances and Risk Profile (mandatory) completed.
- Certified copy of identification (drivers licence as minimum). Note: must be certified by a competent witness.

Company Accounts:

- Account Details Form with your Risk Profile (mandatory), investment strategy and objectives of person(s) authorised to operate on the a/c.
- Certified copy of identification (drivers licence as minimum .) Note: must be certified by a competent witness
- Deed of Guarantee and Indemnity
- Certified copy of the Certificate of Incorporation of Company
- Copy of the Annual Company Statement from ASIC (this will allow us to confirm the address of the registered office and the number of Directors)

In addition to the above, for accounts designated as a Trust or Superannuation Fund we require a certified copy of the front and execution pages of the Trust Deed.

You must also complete whichever of the following additional forms are applicable to you (please contact your Adviser if you are unsure as to which forms you require):

- CHESSE Sponsorship Agreement
- Request to Change Sponsoring Broker – Current Broker to DJC
- ASX Warrant Client Agreement

- Options Agreement and Risk Disclosure Statement (Retail) and Addendum
- Short-Selling Client Procedures and Agreement
- Appointment of Authorised Signatory
- Application to Open an International Trading Account
- W8-Ben Form for Overseas Trading Accounts
- Collateral Agreement (mandatory for some accounts)

Making Life Easy

CHESS Broker Sponsorship

CHESS is a computer system which facilitates the transfer of the legal ownership of financial products between buyers and sellers. CHESS allows you to receive an electronic share holding statement, much like a bank statement. Share certificates are no longer used by most companies as share ownership details are registered and stored electronically on CHESS.

If you want to buy and sell financial products, the transfer of those financial products will occur through CHESS. This means that you must buy and sell financial products through a CHESS Sponsoring Broker such as us, or you must be sponsored by the company issuing the financial products.

The benefit of appointing us as your CHESS Sponsoring Broker is that, because we have direct access to your CHESS holdings, we can immediately confirm your shareholdings, execute orders and settle your transactions on time. Accordingly, there is less chance of settlement being delayed and additional fees being incurred as a result.

When you appoint a CHESS Sponsoring Broker, all share holdings are held in your name and you are issued with a Holder Identification Number (often referred to as a 'HIN'). A HIN is like a bank account number and uniquely identifies any shares which are held by you through that particular CHESS Sponsoring Broker. You will be issued with a separate HIN for each CHESS Sponsoring Broker you appoint.

If you want us to act as your CHESS Sponsoring Broker, you should complete the form entitled 'CHESS Sponsorship Agreement.' If you cannot understand any term of that document you should seek legal advice.

If you would like any further information about CHESS, please contact your Adviser.

Money Market Account / Cash Management

You are required to settle all purchases of shares 3 business days after trade (which is often referred to as 'T+3') and purchases of options 1 business day after trade to avoid late payment penalties and interest charges. We strongly recommend that you set up a bank account which has a sweep facility, where funds are automatically swept from the account to settle purchases of financial products and the proceeds from the sale of financial products can be automatically credited to the account. If you do not have an account with sweep facilities, you will have to arrange to provide us with payment for purchases of financial products within 3 business days each time you purchase shares or on the day of trade in the case of derivatives.

DJ Carmichael can recommend accounts which provide the sweep facilities described above. Account statements are clearly annotated to record transactions and pay an attractive interest rate on credit balances over \$5000. If you would like to open a Broker Money Market Account or a Cash Management Account, please contact your Adviser. Please note that when trading in Exchange Traded Options and Warrants, you may be required to open a Broker Money Market Account. Trades will not be executed unless sufficient funds are held on deposit.

Using Your New Account

Your Adviser

Your Adviser is the person whose name appears on any confirmation notes you receive. If you have any questions in relation to your account, you should contact your Adviser.

Please remember that your Adviser is the only person employed by us who can give you specific investment advice because of the "Know Your Client Rule" which is discussed below. Other Advisers can accept instructions from you and provide you with general market information such as prices, but are unable to make any specific recommendations to you unless they have had the opportunity to discuss with you and understand your investment objectives, financial situation and particular needs.

Providing Information To Us - 'Know Your Client Rule'

Before we are able to give you specific advice on an investment, the *Corporations Act (Cwth)* requires us to make every effort to understand your investment objectives, financial situation and particular needs. This is often called the "Know Your Client Rule".

Your Adviser will ask you to provide personal financial information to assist them in providing the best possible advice. You are not obliged to provide this information, but if you elect not to, it may limit the services we are able to provide to you. The adequacy and appropriateness of the recommendations or advice that we give you may also be affected and therefore you may be exposed to higher risks in your investment choice.

If you do not provide your Adviser with sufficient information, the *Corporations Act Cwth* requires us to warn you that:

- we have not been able to undertake a comprehensive analysis of your investment objectives, financial situation and particular needs;
- there may be limitations on the appropriateness of our recommendations because of the lack of your relevant personal information; and
- you will need to consider whether our recommendations are appropriate in light of your particular investment needs, objectives and financial circumstances.

Any information that you provide to us is confidential. Our privacy policy is discussed below.

Privacy

We collect personal information about you to enable us to provide recommendations, advice and transaction and other services to you. In addition, we are required by law and the Market Rules of the markets in which we operate to collect certain information which identifies you and may contain opinions about you, in particular opinions as to your investment objectives and risk position. Laws which may require us to collect information about you include the *Corporations Act Cwth* and the *Financial Transaction Reports Act*.

- We may disclose information about you to:
 - our regulators;
 - the exchanges/markets on which we conduct transactions on your behalf;
 - custodians and share registries where relevant to your investments;
 - our Representatives;
 - the persons nominated by you to instruct us or to operate your account;
 - other third parties on a confidential basis to enable them to provide professional, administrative and technical services to us such as settling transactions, systems maintenance and testing and document storage; and
 - as required under Federal and State law.
- Please be advised that a copy of our privacy policy - "Your Right to Privacy" is enclosed within this booklet. If you have any questions regarding this document or if you require access to information we hold about you, please contact us by the following means:

For the attention of the Privacy Officer
Address: D J Carmichael
Telephone: 9263 5200
Facsimile: 9263 5280
E-mail: privacy@djcar michael.com.au

Buying and Selling

Orders to buy or sell financial products can be made by telephone, facsimile, email, in person or in writing. You should read the enclosed section in this booklet entitled 'Terms and Conditions' which sets out how you should use each method of communication. In live markets direct telephone contact is preferred and other methods are not guaranteed to reach your adviser. Any orders not given directly to your adviser by phone are at your own risk.

When placing your order you need to give clear instructions on the:

- name and type of financial product;
- number of shares or units; and
- price you wish to pay or receive.

When you instruct your Adviser to place an order it is important that the instruction is as clear as possible so as to avoid any confusion. An order to buy or sell "at best" or "at market" will be treated as meaning sell at the bid price or buy at the offer price showing in the market at the time your order is executed.

If you wish to place a buy or sell limit with discretion your instruction should be specific (ie: 'buy at \$1.52 +2 cents'). This means that we can buy up to \$1.54.

You can ask your Adviser to place a "day only" order (which only lasts for the day on which the order is placed). You will need to contact your Adviser again the next day to reconfirm the order, should you wish to place it again.

Note: Our Advisers will advise and make recommendations based on the information available to them at the time. You have the right and the obligation to accept or reject this advice.

Amendments

You can cancel or amend an order at any time, provided it has not already been executed, by contacting your Adviser. However, once the order has been executed the contract will be binding and you will not be able to cancel or amend the order.

Settlement

When you purchase shares, the ASX Market Rules require that the transaction is settled 3 business days after trade ('T+3') or, in the case of options, 1 business day after trade (T+1). On the day we purchase financial products on your behalf we will mail you a confirmation note setting out the details of the financial products purchased and brokerage charges and various contractual obligations. It is important that upon receiving the confirmation note you immediately arrange payment to avoid penalties. Please check your confirmation carefully and advise us immediately if you believe there are any discrepancies.

When financial products are sold you will again receive a confirmation note and settlement is required on T+3. This makes it imperative that, if you are not sponsored by D J Carmichael & Co, your Adviser has full details of your shareholding prior to placing the order. A fine of \$50 per day plus \$5 GST is levied by the ASX for late delivery which will be charged to your account. As from 30 March 2009, the ASX introduced an Automatic Settlement Close-Out Rule which requires Market Participants to close-out any position which has not settled by T+5. Any shortfall incurred by DJ Carmichael as a result of the automatic close-out will be worn by the client, in addition to any other fees, charges or penalties.

Special Information

Account Registration Details

When you open a new account you need to be careful about the way in which you designate the account. This can be particularly important if you are transferring your CHESS holding from another broker to us. Your new account registration details need to be exactly the same as shown on your existing CHESS or Issuer Sponsored Statements.

When you are opening an account for a Trust or Superannuation Fund, you need to pay particular attention to the account registration details. If you are a Personal Trustee for the Trust or Superannuation Fund then you need to open the account in your personal name and complete the account description details to indicate you are opening the account on behalf of a Trust or Superannuation Fund. Please note the word 'Trust' can not be used in the account designation. Examples of the correct forms of registration are shown below. If you are not sure of your correct registration details, you should contact your Adviser.

Account registration details if you ARE ONE OR MORE INDIVIDUALS

	Correct Form	Incorrect Form
<p>Single Individual Use full details not initials</p>	Mr John Edward Smith	JE Smith
<p>Partnership Use partners' personal names; do not use the name of the partnership</p>	Dr John Smith + Mr Michael Smith <Partnership A/C>	John Smith & Son
<p>Trust Use trustee(s) personal names, do not use the name of the trust</p>	Mrs Sue Smith <Sue Smith Family A/C>	Sue Smith Family Trust
<p>Minor Must be in the name of an adult with child's name as the designation</p>	Mr John Smith <Baby Smith A/C>	Mr John Smith as trustee for Baby Smith
<p>Superannuation Fund Use name of the individual(s), do not use the name of the superannuation fund</p>	Mr John Smith <Smith Superannuation Fund A/C>	John Smith Superannuation Fund
<p>Deceased Estate Use executor(s) personal name(s), do not use the name of the deceased</p>	Mr Tom French <Est John Smith A/C>	Estate of the Late John Smith

Account registration details if you are A COMPANY

	Correct Form	Incorrect Form
<p>Company Use company title, not abbreviations</p>	ABC Pty Ltd	ABC P/L or ABC Co
<p>Trust Use trustee company's full title, do not use the name of the trust</p>	John Smith Pty Ltd <John Smith Family A/C> or John Smith Pty Ltd <Baby Smith A/c>	John Smith Pty Ltd Family Trust John Smith Pty Ltd as trustee for Baby Smith

Superannuation Fund

Use the name of the trustee, do not use the name of the superannuation fund

John Smith Pty Ltd <Smith Superannuation Fund A/C>

John Smith Pty Ltd Superannuation Fund

Persons Authorised to Deal on This Account

It is important that you consider who is authorised to deal on our account. Unless you authorise otherwise in writing, your Adviser will only accept instructions from persons authorised to operate the account.

If you would like to authorise persons other than yourself to deal on your account, you must ensure that those persons complete the enclosed form entitled 'Appointment of Authorised Signatory.' You should also complete the 'Authorised Signatories' section of the 'Application to Open an Account.' The identification process for third parties is the same as for the account holder.

Warrants

If you would like to trade in Warrants it is necessary for you to read a special Explanatory Booklet prepared by the ASX and sign and return the document entitled 'ASX Warrant Client Agreement Form'. If you are unable to access the Explanatory booklet on the ASX website at www.asx.com please ask your Adviser to forward you one.

You must have read the booklet and have returned the signed, dated form before we can execute a trade on your behalf. When buying Warrants your Adviser will only accept buy instructions if sufficient funds are held on deposit prior to placing your order. We remind you that it is essential that you have read the booklet and have returned the original form to us prior to being able to transact on this market.

Exchange Traded Options

If you would like to trade in Exchange Traded Options (E.T.O.s) it is necessary for you to read the Explanatory Booklet prepared by the ASX and the Product Disclosure Statement issued by D J Carmichael.

You are also required to sign and return the original agreement entitled 'Options Client Agreement & Risk Disclosure Statement' and the Addendum to the agreement. Please note that, to trade in E.T.O.s you may be required to open a Broker Money Market Account. Your Adviser will only accept orders if sufficient funds are held on deposit. We remind you that it is essential that you have read the Explanatory Booklet and the Product Disclosure Statement issued by DJ Carmichael and have returned the agreement in original to us prior to being able to transact on this market.

Short Selling

If you would like to open a Short Selling Account it is necessary for you to sign the Short Selling Client Agreement Form and open a separate account designated to short selling. You will also be required to open a Broker Money Market Account and retain a 20% margin within this account. In some cases we are prepared to accept collateral instead of a cash margin in which case this needs to be agreed and a collateral agreement fully executed must be in place prior to transacting. If the short position rises in excess of 10% you will be required to deposit an additional margin equal to the amount of the increase. We remind you that it is essential that you have returned the signed Short Selling Client Agreement Form, in original to us prior to being able to open a short position. When instructing your adviser you are required to advise that you are selling short.

Broker Sponsored versus Issuer Sponsored

Broker Sponsored statements are easily recognised. They are printed on blue paper with CHESS printed across the face. On the right hand corner you will find the name of the Sponsoring Broker and the HIN. Issuer Sponsored statements normally are clearly marked as such.

If you would like to transfer existing CHESS sponsored holdings which you hold with another broker to DJ Carmichael, you are required to complete the enclosed Change of Sponsoring Broker form and list the holdings you wish to be transferred.

If you have existing Issuer Sponsored holdings and wish to convert them to CHES and you would like DJ Carmichael to be your sponsoring broker for those holdings, please forward copies of the relevant holding statements to us for conversion.

TERMS AND CONDITIONS

1. Definitions in these terms and conditions:

'Agreement' means the agreement between the Client and the Broker constituted by the 'Application to Open an Account' document which incorporates these Terms and Conditions and is attached hereto.

'Application to Open an Account' means the Broker's form entitled 'Application to Open an Account' which the Client completed with details of the Client;

'Associates' has the meaning as defined in the Corporations Act;

'ASTC' means the Australian Settlement and Transfer Corporation Pty Ltd;

'Authorised Signatory' means any persons notified in writing by the Client to the Broker as being authorised to deal on the Client's account and accepted by the Broker;

'ASX' means Australian Stock Exchange Limited;

'ASX Market Rules' means the Rules published by the ASX;

'Broker' includes the Broker and its employees, consultants, agents and representatives;

'Certified copy' A copy of the original document that has been sighted by a Justice of the Peace or any one of the competent witnesses listed, and they sign stating that the copy is a true copy of the original without any alterations.

'CHESS Sponsored Holdings' means all debt or equity securities of the Client in respect of which the Broker acts as the Client's CHESS Sponsoring Broker;

'CHESS Sponsoring Broker' means a sponsoring broker for the purposes of the Clearing House Electronic Subregister System;

'Client' means the Client as defined on the 'Application to Open an Account' document;

'Collateral Securities' means all Securities charged in favour of the Broker by the Client in accordance with clause 3.4;

'Contract' means a contract for the sale or purchase of Securities entered into by the Broker on behalf of the Client pursuant to these terms and conditions;

'Contract Note' means a note issued by the Broker to the Client on the day that a trade has been executed and specifies at least the Securities purchased or sold, the price at which those Securities have been purchased or sold, the total amount payable by the Client to the Broker in connection with the relevant Contract, any documentation which the Client is required to deliver to the Broker in connection with the relevant Contract, and the date and time on which settlement of the Contract is scheduled to take place;

'Corporations Act (Cwth)' means the *Australian Corporations Legislation*

'Default Rate' means the BankWest Corporate Lending Rate as at the Settlement Date plus 5% accruing on a daily basis;

'Demand' means a demand made by the Broker to the Client in accordance with clause 3.2(a);

'DJC' means DJ Carmichael Pty Limited;

'Expense' includes but is not limited to brokerage and stamp duty;

'Payment' means payment in the form of cleared funds of the amount specified as being payable by the Client to the Broker in the Contract Note and includes any interest which is or becomes payable on that amount in accordance with these terms and conditions and also includes any part of that amount;

'Principal' means DJ Carmichael Pty Limited, Carmichael Corporate, or any prescribed person as defined by ASX Market Rules 7.3.5 and 7.3.6.

'Securities' has the meaning set out in the Corporations Act; and

'Settlement Date' means the date and time specified for payment in the Contract Note.

2. Operative Section

The Client appoints the Broker and the Broker agrees to act as the Client's share-broker to act on the Client's instructions in respect of the sale and purchase of Securities and in respect of applications and subscriptions for Securities and Derivatives.

3. Payment for Securities

3.1 Confirmation Notes and Payment

- (a) Each time a purchase of Securities has been executed according to Client instructions, the Broker must issue the Client with a Confirmation Note. This sets out the details of the transaction and the contractual obligations.
- (b) The Client must provide the Broker with Payment prior to the Settlement Date.
- (c) The Broker is not obliged to comply with any instructions provided by the Client until the Broker has received Payment.

3.2 Late Payment or Failure to make Payment

- (a) If the Broker does not receive Payment by the Settlement Date, the Broker may demand Payment from the Client either orally or in writing. The Demand must specify the latest time at which the Broker is prepared to accept Payment from the Client.
- (b) If the Client does not make Payment by the time specified in the Demand, the Broker may:
 - (i) sell the Securities specified in the Contract Note at the Client's risk and Expense;
 - (ii) levy interest or other charges on the amount of the outstanding Payment; or
 - (iii) sell the Collateral Securities at the Client's risk and Expense; or
 - (iv) both (ii) and (iii) above, to the extent necessary to recover the full amount of the Payment.
- (c) If the Broker sells the Securities in accordance with clause 3.2 (b), the proceeds of the sale must be applied to reduce all moneys owing by the Client to the Broker and to cover all costs and Expenses incurred by the Broker as a result of complying with the Client's instructions. The Client must immediately provide the Broker with the balance of the Payment that remains outstanding.

3.3 Default Charge

If the Broker has not received Payment by the Settlement Date, the Client must pay the Broker a default charge which is calculated at the Default Rate on the amount of the Payment which is outstanding from the Settlement Date to the date that Payment is received by the Broker (inclusive of that date).

3.4 Collateral Securities

The Client hereby charges all CHESS Sponsored Holdings, which are realisable or otherwise convertible to cash within 30 days, in favour of the Broker to secure Payment by the Client to the Broker for any future purchase of Securities by the Broker on behalf of the Client.

4. Sale of Securities

4.1 Delivery of documents evidencing title

- (a) Each time a sale of Securities has been executed according to Client instructions, the Broker must issue the Client with a Contract Note.

- (b) The Client must deliver to the Broker all documentation which is specified in the Contract Note by the time specified in the Contract Note.

4.2 Failure to deliver documents evidencing title

If the Client does not deliver the documentation specified in the Contract Note in accordance with clause 4.1, the Broker may purchase sufficient Securities at the Client's risk and Expense to meet the Client's obligations under the Contract Note.

4.3 Costs incurred by the Broker

The Client must immediately pay to the Broker all costs and Expenses incurred by the Broker as a result of the Broker purchasing Securities in accordance with clause 4.2.

5. Client's Failure to Complete a Contract

The Client acknowledges that under the ASX Market Rules, the Broker is entitled to pass on to the Client costs incurred by the Broker as a result of the Client's failure to deliver sold Securities or pay for purchased Securities by the Settlement Date.

6. Right of set off

The Broker may set off any monies received on the sale of Securities on behalf of the Client against any monies due to the Broker by the Client on any account.

7. Providing instructions to the Broker

- 7.1 The Client may provide instructions to the Broker by telephone, facsimile, e-mail, in person or in writing.
- 7.2 The Client may cancel instructions that it has provided to the Broker at any time until the Broker enters into a Contract pursuant to the Client's instructions.
- 7.3 The Client acknowledges that the Client's choice of medium for communicating instructions to the Broker is at the Client's risk and that it is the Client's obligation to confirm that the Broker has received the Client's instructions.
- 7.4 The Broker has the right to decline instructions at any time without the need to provide a reason for its decision. In addition to that right, the Broker may refuse to act on the Client's instructions:
- (a) where the Broker has reason to suspect the transaction is likely to have the effect of creating a false or misleading appearance of active trading in any Securities or with respect to the market for, or the price of, any Securities;
 - (b) where the Broker believes the transaction involves no change in beneficial ownership;
 - (c) where the Broker believes that the instructions are unclear, ambiguous or incomplete;
 - (d) where the basis of quotation for the Security has changed and the instruction has not been confirmed by the Client since the change;
 - (e) where the original instruction is more than one month old and the Client has not confirmed the instruction in that time; or
 - (f) where the Security or other investment has been subject to a trading halt and the Client has not confirmed instructions since the halt.

8. Dealing

- 8.1 We will not deal as Principal in any Securities with a person not a Trading Participant or a member of a recognized Stock Exchange unless we first inform the client with whom we are dealing that we are acting in the transaction as Principal and not as an Agent.
- 8.2 In relation to crossings, we advise that your order may match opposite orders in SEATS, effectively crossing the stock and entitling the Trading Participant to commission from both sides of the transaction.
- 8.3 If we deal as Principal, your order may match opposite orders in SEATS on behalf of the same Trading Participant as Principal. If this occurs your adviser will advise you and it will be stated on your contract note. No brokerage is charged on a transaction of this nature.

9. Cancellation of Contracts by the Broker

- 9.1 The Broker may cancel Contracts entered into by the Broker on the Client's instructions if the Broker reasonably considers that it is necessary or appropriate to do so in order to comply with the Broker's obligations under the ASX Market Rules, the practices and procedures of the ASX, or the practices and procedures of any relevant clearing house. All dealings by DJC on your behalf are subject to the ASX Rules, and customs and usage of the market.
- 9.2 The Broker does not need to obtain the Client's consent to cancel a Contract in accordance with clause 9.1.
- 9.3 The ASX reserves the right at their discretion to cancel or amend any trade for the purpose of maintaining a fair, orderly and transparent market. ASX Operating Rules Sections 14 and 15.

10. Applicable Laws and Regulations

- 10.1 These terms and conditions are subject to the Corporations Act, all relevant State and Commonwealth legislation, the Rules of the ASX, and in relation to CHES Approved Securities, the ASTC Settlement Rules.
- 10.2 The ASX Market Rules are incorporated in these terms and conditions.

11. Information provided by the Client

- 11.1 The Client warrants that:
- (a) all information contained in the Agreement is true and correct; and
 - (b) the Client will advise the Broker if any of the details completed in the Agreement change, including the Client's address, or if the Client is a company, the Client's Registered Office.
- 11.2 The Client acknowledges that the Broker is entitled to rely on the information contained in the Agreement and any written notice that the Client has provided to the Broker that any of that information has changed. If the Client provides notice to the Broker that the information has changed, the changed information will form part of the Agreement.

12. Indemnification of Broker by Client

The Client must indemnify the Broker against all expenses, losses, damages and costs incurred by or awarded against the Broker and that the Broker sustains or incurs as a result, whether directly or indirectly, of:

- (a) any breach of these terms and conditions by the Client including, but not limited to, a breach in respect of which the Broker exercises an express right to terminate the Agreement;

- (b) anything lawfully done by the Broker in the course of acting for the Client pursuant or incidental to the Agreement; or
- (c) the Broker complying with any lawful direction, request or requirement of the ASX, the ASTC or any other regulatory authority in relation to anything done by the Broker in the course of acting for the Client. This is a continuing indemnity and shall survive termination of the Agreement.

13. Use of Personal Information

- 13.1 Subject to this clause 12, the Broker shall keep confidential all personal or company information and financial information about the Client which the Client has provided to the Broker.
- 13.2 The Broker may provide information about the Client to a credit reporting agency:
- (a) for the following purposes: (i) to obtain a credit report about the Client; and (ii) to allow a credit reporting agency to create or maintain a credit information file containing information about the Client;
 - (b) before, during or after the Broker has acted on the Client's instructions; and
 - (c) which may include:
 - (i) identity particulars including the Client's name, sex, address, former addresses, date of birth, employer and driver's licence number;
 - (ii) information about any credit supplied by the Broker to the Client;
 - (iii) information on Payments which are overdue and in relation to which the Broker has commenced debt collection actions against the Client
- 13.3 The Client acknowledges that the Broker may provide information about the Client to:
- (a) bodies which regulate the Broker, including but not limited to the ASX;
 - (b) the exchanges or markets on which the Broker conducts transactions on the Client's behalf;
 - (c) custodians and share registries where these bodies are relevant to transactions conducted on behalf of the Client;
 - (d) the Broker's representatives;
 - (e) Authorised Signatories; and
 - (f) other third parties on a confidential basis to enable them to provide professional, administrative and technical services to the Broker including but not limited to settling transactions, systems maintenance and testing and document storage.

14. Joint Clients

If the Client is more than one person, then each of those persons is jointly and severally liable under the Agreement and the Broker is entitled to act on the instructions of any one of those persons without reference to the other. If you require instructions to have joint holders both to sign this must be clearly stipulated.

15. Authorised Signatories

- 15.1 The Authorised Signatory may do anything that the Client is entitled to do under these terms and conditions.

- 15.2 The Broker is entitled to act on the instructions of the Authorised Signatory in accordance with these terms and conditions without reference to the Client.
- 15.3 All obligations to be fulfilled by the Client under these terms and conditions are the sole responsibility of the Client and the Client indemnifies the Broker against any losses and liabilities incurred directly or indirectly by the Broker as a result of the Broker acting in accordance with instructions provided to the Broker by the Authorised Signatory.
- 15.4 This section continues to apply in relation to an Authorised Signatory until the Client provides the Broker with written notice that the appointment of that Authorised Signatory is cancelled or until the Broker provides the Client with written notice that the appointment of that Authorised Signatory is cancelled.

16. Associates

The Client confirms that the Client is not an employee, officer, partner, consultant or Associate of a broker other than the Broker and the Client is not immediate family, the family company or the family trust of a broker other than the Broker.

17. Investments by the Broker

- 17.1 The Client acknowledges that the Broker and Associates of the Broker may, in any capacity, buy or sell or otherwise deal in the same Securities as those the Broker deals in on behalf of the Client.
- 17.2 The Broker may in any capacity deal in or underwrite the same Securities as those held by the Client, and may be interested in any company notwithstanding that the Client may have a direct or indirect investment or interest in that company.

18. Termination of the Agreement

The Agreement is immediately terminated if the Client provides the Broker with notice or the Broker provides the Client with notice that it wishes to terminate the Agreement.

19. Notice

- 19.1 Any notice given under the Agreement must be made personally or by facsimile, telephone, telex, telegram or prepaid letter to the party to receive that notice ('Receiving Party') at the Receiving Party's last notified address or facsimile or telex number (as the case may be).
- 19.2 In the case of a facsimile, telex, telegram or prepaid letter, the notice is deemed to have been received by the Receiving Party on the next business day after transmittal or posting (as the case may be).

20. Governing Law and Jurisdiction

- 20.1 The Agreement shall be governed by and construed in accordance with the laws of the State of Western Australia.
- 20.2 The parties submit to the non-exclusive jurisdiction of the courts of Western Australia.

YOUR RIGHT TO PRIVACY

DJ Carmichael Pty Limited (DJ Carmichael) maintains information about you in order to assist in servicing your needs. This information falls under the privacy rules and will therefore be accessible for you to review. We treat this information with the high levels of respect and care with which we treat all client information.

The privacy rules for the private sector;

- Regulate how organizations collect, use and disclose information;
- Require organisations to keep information secure, accurate and up-to-date; and
- Give individuals the right to access information which is held about them and to amend any incorrect information.

PRIVACY POLICY

DJ Carmichael abides by the National Privacy Principles established under the Privacy Amendment (Private Sector) Act, 2001. A summary of the National Privacy Principles is available on our website or by contacting our office.

Personal Information Collected

As an Australian Financial Services Licensee, we are subject to certain legislative and regulatory requirements which necessitate us obtaining and holding detailed information which personally identifies you and/or contains information or an opinion about you ("personal information"). In addition, our ability to provide you with a comprehensive advice service is dependent on us obtaining certain personal information about you, including:

- a) employment details and employment history;
- b) details of your financial needs and objectives;
- c) details of your current financial circumstances, including your assets and liabilities, income and expenditure;
- d) details of your investment preferences and aversion or tolerance to risk

Consequences of Not Providing the Requested Personal Information

Failure to provide the personal information referred to above may expose you to higher risks in respect of the recommendations made to you and may affect the adequacy or appropriateness of advice we give to you.

Information Collection Policies

Generally, collection of your personal information will be effected in either face-to-face interviews or over the telephone. From time to time additional and/or updated personal information may be collected through one or more of those methods. We will only collect, maintain and use Personal Information about you if it is necessary for us to adequately provide to you the services you have requested including:

- a) the preparation of your personal share portfolio;
- b) making securities and investment recommendations;
- c) reviewing your share portfolio;
- d) reviewing securities and investment recommendations;

Information Use and Disclosure Policies

We will not use or disclose Personal Information collected by us for any purpose other than:

- a) the purposes for which it was provided or secondary related purposes in circumstances where you would reasonably expect such use or disclosure; or
- b) where you have consented to such disclosure; or
- c) where the National Privacy Principles authorise use or disclosure where required or authorised under law, in circumstances relating to public health and safety and in connection with certain operations by, or on behalf of, an enforcement body.

We are required under the ASX Market Rules to make certain information available for inspection by the Exchange on request to ensure ongoing compliance with mandatory professional standards. This may involve the disclosure of your personal information. We are also obliged, pursuant to the Corporations Act, to maintain certain transaction records and make those records available for inspection by the Australian Securities and Investments Commission. We may use the personal information collected from you for the purpose of providing you with direct marketing material, such as articles that may be of interest to you, however you may, by contacting us by any of the methods detailed below, request not to receive such information and we will give effect to that request. Please allow two weeks for your request to be actioned.

We may disclose your personal information to another adviser during periods your adviser is unavailable so that you can be assured of receiving a continued service.

In the event that we propose to sell our business we may disclose your personal information to potential purchasers for the purpose of them conducting due diligence investigations. Any such disclosure will be made in confidence and it will be a condition of that disclosure that no personal information will be used or disclosed by them. In the event that a sale of our business is effected, we may transfer your personal information to the purchaser of the business. As a client you will be advised of any such transfer.

Document Storage and Security Policies and Practices

Your personal information is held in your client file. Information is also held in a computer database.

We will at all times seek to ensure that the personal information collected and held by us is protected from misuse, loss, unauthorised access, modification or disclosure. At all times your personal information is treated as confidential and any sensitive information is treated as highly confidential. All record movements off premises are recorded in a central register.

All computer based information is protected through the use of access passwords on each computer and screen saver passwords. Data is backed up each evening and stored securely off site. In the event you cease to be a client of this organisation, any personal information which we hold about you will be maintained in a secure off site storage facility for a period of seven years in order to comply with legislative and professional requirements, following which time the information will be destroyed.

How You May Gain Access to Your Personal Information

You may at any time, by contacting us by any of the methods detailed below, request access to your personal information and we will (subject to the following exceptions) provide you with access to that information either by providing you with copies of the information requested, allowing you to inspect the information requested or providing you with an accurate summary of the information held. We will, prior to providing access in accordance with this policy, require you to provide evidence of your identity.

We will not provide you with access to your personal information if:

- a) providing access would pose a serious threat to the life or health of a person;
- b) providing access would have an unreasonable impact on the privacy of others;
- c) the request for access is frivolous or vexatious;

- d) the information related to existing or anticipated legal proceedings between us and would not be discoverable in those proceedings;
- e) providing access would reveal our intentions in relation to negotiations with you in such a way as to prejudice those negotiations;
- f) providing access would be unlawful;
- g) denying access is required or authorised by or under law;
- h) providing access would be likely to prejudice certain operations by or on behalf of an enforcement body or an enforcement body requests that access not be provided on the grounds of national security.

In the event we refuse you access to your personal information, we will provide you with an explanation for that refusal.

Access and Correction Policies and Procedures

We will endeavour to ensure that, at all times, the personal information about you which we hold is up to date and accurate.

In the event that you become aware, or believe, that any personal information which we hold about you is inaccurate, incomplete or outdated, you may contact us by any of the methods detailed below and provide to us evidence of the inaccuracy, incompleteness or out-datedness and we will, if we agree that the information requires correcting, take all reasonable steps to correct the information.

We will endeavour to respond to any request for access within 14-30 days depending on the complexity of the information and/or the request. If your request is urgent please indicate this clearly.

How You Can Make a Privacy Complaint

If you wish to complain about any breach or potential breach of this privacy policy or the National Privacy Principles, you should contact us by any of the methods detailed below and request that your complaint be directed to the Privacy Officer. Your complaint will be considered within seven days and responded to. It is our intention to use our best endeavours to resolve any complaint to your satisfaction; however, if you are unhappy with our response, you are entitled to contact the Office of the Privacy Commissioner who may investigate your complaint further.

Risks of Using the Internet

While it is not necessary to register your personal details to use our Web site, we do offer a registration service which will enable you to access our Members Area and receive product and service updates, newsletters and other information. In the event you do register with us, we will collect personal information from you including your name, address, client account number, contact telephone numbers and e-mail address.

If you have registered with us and decide, at any time, that you do not wish to receive any further information from us, you can send an e-mail to the e-mail address on this brochure requesting to be removed from our online registration database. Please allow two weeks for your request to be actioned.

You may amend or update your registration details by sending an e-mail to the e-mail address on this brochure providing your amended details. Please allow two weeks for your request to be actioned.

Our Web site uses cookies which allows us to identify your browser while you are using our site. Cookies do not identify you, they simply allow us to track usage patterns so that we can measure the level of interest in various areas of our site. All browsers allow you to be notified when you receive a cookie and elect to either accept it or not. Your Internet Service Provider should be able to assist you to set your preferences.

CHESS SPONSORSHIP AGREEMENT

1. Interpretation

1.1 Any term used in this Agreement which is defined in the ASTC Settlement Rules has the meaning given in the Rules. (Should you require a copy of these definitions please contact your Sponsoring Participant).

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 three 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 and stamp duty.

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 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.

2.2.2 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. ASTC Settlement Rules Appendix 3 Page 2 of 6.

2.2.3 The regulatory regime which applies to the Participant is *the Australian Financial Services License*. The Participant Sponsored Holder can obtain information as to the status of the Participant from *the Australian Securities and Investment Commission*.

2.2.4 The Participant Sponsored Holder may lodge a complaint against the Participant or any claim for compensation with the Financial Ombudsman Service. Ph 1300 780 808, Web:www.fos.org.au, or by mail, GPO Box 3, Melbourne, Victoria, 3001.

3.0 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 ASTC Settlement Rules.

3.2 Exchange Traded Options, Pledging And Sub-Positions

- 3.2.1 Where the Participant Sponsored Holder arranges with ACH to lodge financial products in a Participant Sponsored Holding as cover for written positions in the Australian Options Market, and informs the Participant of the arrangement, the Participant Sponsored Holder authorises the Participant to take whatever action is reasonably required by ACH 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 reasonably 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 ACH 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 Participant of ASX Group, neither ASX nor any Related Party of ASX has any responsibility for supervising or 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 ASTC Settlement Rules and the Source Holding for the Transfer is a Participant Sponsored Holding under the Sponsorship Agreement, then: (a) the Participant Sponsored Holder may not assert or claim against ASTC 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 (b) unless the Transfer is also taken to have been effected by a Participant of ASX Group or a Clearing Participant of ACH, 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.
- 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 ASTC.
- 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 ASTC giving Notice of suspension, to give notice to ASTC 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) ASTC 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 ASTC Settlement Rules, unless the Participant Sponsored Holder's legally appointed representative or trustee elects to remove the Participant Sponsored Holdings from the CHESSE Sub-register.
- 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 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 CHESSE 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 ASTC 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 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 ASTC Settlement 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;

(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.

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 The following compensation arrangements apply to the Participant Sponsored Holder: In the event of a breach of this agreement the sponsored holder may apply to D J Carmichael Pty Limited for compensation. Any claim will be considered on its merits and will be dealt with either through the complaints service as detailed in 2.2.4 or as set out in clauses 6.2 6.3 and 6.4.

6.2 If we breach a provision of this agreement, and you make a claim for compensation pursuant to that breach, our ability to satisfy that claim will depend upon our financial circumstances; and

6.3 You may make a claim on the National Guarantee Fund ("NGF") for compensation if a breach by us falls within the circumstances specified under Part 7.5 Division 4 of the Corporations Regulations. Claims must be made in writing to the Securities Exchange Guarantee Corporation Pty Limited ("SEGC") Claim forms are available from the SEGC. (For more information on the circumstances in which you may make a claim on the NGF or for information on the NGF generally, contact the Securities Exchange Guarantee Corporation Pty Limited or visit their website at www.segc.com.au).

7. Termination

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

- (a) by notice in writing from either the Participant Sponsored Holder or the Participant to the other party to the Agreement;
- (b) upon the Participant becoming insolvent;
- (c) upon the termination or suspension of the Participant; or
- (d) 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 ASTC Settlement Rules, the Participant will, by giving the Participant Sponsored Holder not less than 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.



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Note: All our forms, Privacy Agreement and Terms and Conditions
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