

Baker Young Stockbrokers Limited

ABN 92 006 690 320

Participant of ASX Limited (ASX)

Australian Financial Services Licence No. 246735

Financial Services Guide

Please note this Financial Services Guide is in two parts and is to read in conjunction with our Trading Terms and Conditions dated 1 November 2018

This Financial Services Guide ("FSG") is an important document and a regulatory requirement under the Corporations Act and is designed to assist you in deciding whether to use any of the services offered by Baker Young Stockbrokers Limited. It provides you with information about:

- the products and services we are authorised to provide
- who we are and how we can be contacted
- how we and our representatives (advisors) are remunerated
- any actual or potential conflicts of interest we may have
- our internal and external complaints handling procedures
- how we keep the information you provide to us private
- our terms of business and the terms of our sponsorship agreement

Should you choose to use any of our financial services or products you may also receive other documents relevant to the services or products which you should read carefully.

It is important that you read and understand this booklet prior to establishing your share trading account.

If you have any questions regarding any information in this booklet please contact your Baker Young advisor.

Dated: 1 November 2018

All details in this FSG are current as at the date of issue.

We will publish any minor changes to the FSG on our website www.bakeryoung.com.au.

We will update the FSG if there are material changes or as required by law.

Version 4.3

Level 6, 121 King William Street, Adelaide, South Australia 5000. GPO. Box 1672, Adelaide, South Australia 5001.
Telephone (08) 8236 8888 Facsimile (08) 8232 3877 Toll Free 1800 061 765 Email contact@bakeryoung.com.au
Website www.bakeryoung.com.au

Information About Baker Young

Baker Young Stockbrokers Limited ("Baker Young", "we", "us" or "our") is a South Australian owned full service stockbroking firm based in Adelaide. Baker Young have been helping clients to build and maintain investment portfolios to meet their needs and objectives since 1987.

Baker Young holds an Australian Financial Services Licence (Licence No. 246735) issued by the Australian Securities & Investments Commission. Baker Young is also a Market Participant of the Australian Stock Exchange, a Settlement Participant of ASX Settlement Corporation Limited (a group company of the ASX) and a Principal Member of the Stockbrokers Association of Australia.

What Financial Products and Services Are Baker Young Authorised to Provide?

Baker Young is authorised to offer advice (both general and personal advice) and deal in the following financial services and financial products.

- securities
- exchange traded options and warrants
- managed investment schemes
- managed discretionary account services
- basic and non-basic deposit products
- government debentures, stocks or bonds

Baker Young do not provide financial planning or taxation advice and if you require this advice you should contact a financial planner, accountant or other relevant professional.

Our advisors have different levels of accreditation that permits them to advise on some or all of the above products and services. Your advisor can provide you with details of their accreditation and what types of advice they are able to offer.

Contact Details

You can contact Baker Young by:

- speaking to your financial advisor
- telephoning us on (08) 8236 8888
- telephoning us on Freecall 1800 061 765 (South Australian Country callers only)
- visiting our website at www.bakeryoung.com.au
- emailing us at contact@bakeryoung.com.au
- writing to us at GPO Box 1672, Adelaide SA 5001
- visiting us at Level 6, 121 King William Street, Adelaide, South Australia 5000

Baker Young has a third party clearing agreement with Pershing Securities Australia Pty Ltd ABN 60 136 184 962 AFSL No. 338264 ("Pershing"), a Clearing Participant of ASX Clear, the clearing facility of the Australian Stock Exchange.

Pershing is a Participant of the Australian Stock Exchange and is the leading provider of third party clearing and settlement services to the Australian market and is a wholly owned subsidiary of Pershing Group LLC, a Bank of New York Mellon Company headquartered in New Jersey USA.

If you carry out a transaction through Baker Young, Pershing as clearer will carry the clearing and settlement obligations in respect of that transaction. For this purpose you will become a client of Pershing and you will owe your settlement obligations in respect of that transaction to Pershing.

In addition to the this FSG, you will receive a Pershing Securities Australia Financial Services Guide and a Pershing disclosure statement – which sets out the financial services provided by Pershing and the terms of your agreement with Pershing and how market transactions entered into on your behalf by Baker Young will be cleared and settled on your behalf by Pershing.

Responsibility For Services Provided

Your advisor will be acting on our behalf. We are responsible to you for any advisory services your advisor provides.

Your advisor is accredited in accordance with the standards set by the Australian Securities & Investments Commission and holds suitable experience and qualifications to be an authorised representative of Baker Young. This FSG explains the range of financial services and products available through Baker Young, however your advisor will only provide the advice and services that your advisor is authorised by Baker Young to provide.

Advice You May Receive From Us

Financial product advice is a recommendation or statement of opinion in relation to a financial product and may be given to you verbally in person or on the telephone or in writing in the form of written advice. Financial product advice may be personal or general.

Personal Advice

Personal advice is advice that takes into consideration your personal financial objectives, situation and needs. Baker Young are only able to provide you with personal advice if you have supplied us with all the necessary information on your investment objectives and financial situation and needs. Without your personal information Baker Young is unable to provide you with advice that is tailored to your circumstances and needs and you are responsible for assessing the appropriateness of any advice to your particular circumstances before acting on it.

We strongly recommend that you provide us with details of your personal objectives, current financial situation, needs and other relevant information so that your advisor can provide you with the most appropriate advice. This information will be kept strictly confidential, other than as required to be disclosed by law.

Where you provide this information you should advise Baker Young and or your advisor when your circumstances have changed as this may influence the types of investments or the suitability of strategies that have been employed on your behalf. Such changes may be triggered by life events such as marriage, divorce, the birth of a child, redundancy, retirement, illness or an accident that may prevent you from working. Any event that has an impact on your life and your financial security should be communicated to your advisor in order that they may be able to assist you to structure your investments suitable to your changed circumstances and ensure that any advice remains appropriate in the future. Baker Young and its related body corporates and its representatives do not accept any liability for advice given on the basis of inaccurate or incomplete information.

General Advice

If you do not provide all the relevant information about your financial objectives, situation or needs, then any advice received by you will be prepared without regard to your circumstances and may not be appropriate for you or your situation. The advice will be general advice based only on consideration of the investment opportunity or the financial product.

Under these circumstances it is your responsibility to consider the advice before you act on it to make sure it is appropriate for you and your circumstances.

Other Documents You May Receive From Us

Statement of Advice

When we provide you with personal advice you will receive a Statement of Advice ("SOA"). An SOA is a written record of our advice, including the basis on which it is given, and information about fees and commissions and any associations with product issuers or other parties which may have influenced the advice. You should read the warnings contained in the SOA carefully before making any decision based on the personal financial product advice.

Where additional or further advice is given which is consistent with the SOA previously provided, no additional SOA is required to be provided to you.

Statement of Additional Advice

After we provide you with an SOA, you may subsequently receive additional or further advice beyond the scope of the SOA through a Statement of Additional Advice ("SOAA").

The SOAA will contain the additional advice provided to you, the basis for that advice, and information

about fees and commissions and any associations with product issuers or other parties which may have influenced the advice.

Record of Advice

Where an SOA or SOAA is not required, the details of any personal advice given will be documented in a Record of Advice ("ROA"). You are entitled to request that a Record of Advice ("ROA") be provided to you within 90 days after the advice was provided.

Product Disclosure Statements

You may receive a Product Disclose Statement ("PDS") prepared by the financial product issuer when you acquire or we recommend a particular financial product i.e. exchange traded options, warrants, stock in initial public offerings, managed investments etc.

The PDS contains information such as the features, fees, benefits and risks in respect of the product and is necessary to assist you in making an informed decision about whether or not to acquire that particular financial product. If there is anything you do not understand, please ask your advisor.

Limitations of Research

The research undertaken by stockbrokers is only the opinion of specialist analysts, can never be guaranteed, is only valid for a limited time and is subject to market price movements and other events. For example a "buy" recommendation can turn into a "sell" recommendation where the market price of a security increases by a small amount.

The fact that a security is recommended by an analyst does not necessarily mean it is a suitable investment for you and you should consult your advisor before acting on any research report.

How We Are Remunerated For The Services We Provide

In the absence of any special arrangements you may make with your advisor, our fees are set out herein. Baker Young will charge a fee for the services provided to you. The fee may be a transaction based fee or an asset based fee or a combination of both.

While some of the fees may be tax deductible, we recommend that you seek advice from a professional taxation advisor who will give consideration to your particular circumstances.

Stockbroking Services

Features

- share selection and advice
- trading in domestic and international securities

- access to company research advice on portfolio structuring and portfolio reviews
- initial public offerings and other capital raisings
- trading in derivatives including exchange traded options and warrants
- access to cash and fixed interest products

Brokerage

Baker Young will charge brokerage on transactions undertaken based on the value of the securities bought or sold.

Our brokerage rates are dependent on the type and level of service you require and the size and frequency of transactions.

You will be advised of the rate of commission when you open your account with us and any changes to our brokerage rates from time to time. A minimum charge may apply to some transactions.

In general, a standard rate of 2.0% applies to trades with a total consideration of up to \$5,000 with the rate declining as the value of the trade increases, with a rate of 1.0% or less applying to trades in excess of \$50,000. Baker Young charge a minimum brokerage of \$80.00. The brokerage payable is exclusive of GST and a trade confirmation fee of \$20.00.

For example:

Trade value	Brokerage	Confirmation Fee	Total *
Less than \$5,000	\$80.00	\$20.00	\$100.00
\$5,000	2% or \$100.00	\$20.00	\$120.00
\$50,000	1% or \$500.00	\$20.00	\$520.00

* excluding GST

If you are trading exchange traded options, the ASX clearing house charges a transaction fee per option contract and if your contract is exercised a further fee is applicable. Any increase in fees that the ASX clearing house charges will be passed directly to you. Further details of brokerage and other fees and charges are contained in a product disclosure statement which will be provided to you.

The amount charged will be detailed on the confirmation you receive for each transaction. The dollar fee may vary according to the final price of the securities. The brokerage will be added to the cost of the securities bought or deducted from the proceeds of the securities sold and is payable on settlement.

Miscellaneous Fees and Charges

In addition to those outlined in this booklet, various fees and charges may be passed onto you in relation to the operation of your account and trading activity.

These are outlined in the following table*:

Non-Straight Through Processing Confirmation Fee	\$30.00
Rebooking or Booking Correction	\$25.00
Settlement Fail Fee (daily)	\$50.00
Dishonour Fee	\$100.00
Penalty Interest (calculated daily)	10% pa plus RBA Cash Rate
Off market Transfer Administration Fee	\$50.00
Shareholder Reference Number Search	\$25.00
ASIC Company Searches (minimum fee)	\$16.50
Cheque Processing	\$15.00
Third Party Payments	\$15.00
* excluding GST	

Additional assistance in relation to our services may be required and an administration fee will then be charged and will depend on the complexity of the matter and the estimated time to completion

Baker Young reserve the right to pass through your account any additional charges or changes to existing charges that we incur as a result of changes in industry practices or through the normal course of business.

We recommend that you agree to be CHESS sponsored by Baker Young, have direct debit and credit banking facilities with Pershing and elect to receive trade confirmations by email to minimise any additional fees and charges which may arise, such as the non-straight through processing confirmation fee of \$30.00.

Brokerage on International Transactions

We charge brokerage on international transactions on the same scale as for Australian transactions.

International transactions incur an additional agent's fee of 0.75% of the value of the consideration, with a minimum charge of USD64.00. The brokerage is exclusive of GST, trade confirmation fees, counterparty brokerage and fees charged by external foreign agents such as currency conversion charges, custody charges, transfer costs, certification fees, compliance fees and notification charges and will be advised to you upon request.

Portfolio Management Services

Our Portfolio Management Service (or managed discretionary account) is designed for clients who do not have the time and or expertise to manage their investments.

Under our Portfolio Management Service you authorise Baker Young to manage your portfolio in accordance with an agreed Investment Program. Baker Young will make investment decisions on your behalf and report to you quarterly about your investments.

We will hold your assets in your individual name and you remain the legal and beneficial owner of the assets.

Baker Young offer two types of managed discretionary accounts - Portfolio Management Services and Individually Managed Portfolios. The two services have the same reporting and administrative features although they differ in investment management styles and the fees that are charged.

Before Baker Young can commence providing you with a managed discretionary account service you must enter into a portfolio management agreement. The agreement sets out the terms on which the managed discretionary account service will be provided, including the obligations and rights of Baker Young and you.

You may give Baker Young specific written instructions about the range of investments in which your portfolio is to be invested. These instructions must be provided in writing to Baker Young and Baker Young will only be obliged to comply with those directions with which it agrees and that agreement is provided in writing to you.

The managed discretionary account service will be accompanied by an Investment Program prepared in accordance with the Corporations Act and will contain certain information about:

- the basis on which the managed discretionary account service is considered suitable for you
- the nature and scope of the discretions that Baker Young will be authorised and required to exercise
- the investment strategy that will be applied by Baker Young and
- warnings about the suitability of the managed discretionary account service, any significant risks associated with the service and the importance of considering any limitations relating to the service which must be considered before signing the portfolio management agreement

Baker Young will review your Investment Program annually to ensure it continues to be suitable for you.

From time to time certain rights may be attached to investments held in the managed discretionary account, for example voting rights at annual general meetings. Baker Young may exercise those rights without seeking your instructions. Should you wish to instruct Baker Young in relation to the exercise of those rights you must provide your instructions in writing and Baker Young will only be obliged to comply with those directions with which it agrees and that agreement is provided in writing to you.

The significant risks associated with a managed discretionary account service are:

- general investment risk – this risk includes the risk of capital loss, volatility in the value of the financial product, risk that expected income is not received, and risk that the earnings and values of the assets are affected by movements in interest rates, currency exchange rates, commodities, inflation rates, overall economic conditions (both domestic and overseas) and other factors that are beyond the control of Baker Young
- asset class risk – each type of financial product attracts particular risks. These will be explained to you by your advisor

- operator risk – this is the risk that Baker Young does not comply with its obligations under the portfolio management agreement. Baker Young has extensive and detailed procedures and controls in place to mitigate this risk

Further details of general investment risks are contained in the “Risks” section below.

This financial services guide complies with the conditions contained in ASIC Corporations (Managed Discretionary Account Services) Instrument 2016/968 issued by the Australian Securities & Investments Commission relating to managed discretionary accounts.

Fees and Charges

Portfolio Management Service - Baker Young charge a management fee for our Portfolio Management Service. The management fee is calculated as a percentage of the gross value of your portfolio, calculated and payable on the last day of each calendar month. The management fee typically reduces as the value of the portfolio increases.

In addition, brokerage will be charged on transactions at the standard rate for our stockbroking services, exclusive of GST and confirmation fees.

The standard management fees charged for the Portfolio Management Service are outlined in the following table:

Portfolio value	Management Fee (%) per annum
\$0 to \$250,000	1%
\$250,001 to \$500,000	0.9%
\$500,001 to \$1,000,000	0.8%
\$1,000,001 to \$2,000,000	0.7%
\$2,000,001 +	negotiable

For example, the below table shows the total annual management fee charged for portfolios of varying values.

Portfolio value	Total Management Fee per annum
\$250,000	\$2,500
\$500,000	\$4,500
\$1,000,000	\$8,000
\$1,500,000	\$10,500
\$2,000,001 +	negotiable

Individually Managed Portfolio – Baker Young charge a management fee for our Individually Managed Portfolio Service calculated on the portfolio value on the last day of each month as described above.

The standard management fee varies according to the model investment portfolio selected by the client as outlined below.

Investment Portfolio	Management Fee (%) per annum
ASX 100 Investment	2.0%
ASX 100 Trading	2.5%
ASX 200 Moderately Aggressive	3.0%
ASX 300 Highly Aggressive	3.5%

The management fee for the Individually Managed Portfolio does not reduce as the value of the portfolio

increases.

No brokerage is charged on transactions for an Individually Managed Portfolio, however the standard confirmation fee of \$20.00 is charged on each transaction conducted within the portfolio.

Portfolio Reporting Services

Baker Young offer a portfolio reporting service to assist clients in the administration of their portfolio.

The following reports are provided to the client:

- monthly report on the asset position and market value of the portfolio
- quarterly portfolio summary, cash flow report, asset breakdown and performance including any fees and commissions charged on the portfolio and
- annual summary of transactions in the portfolio able to be provided to the client's taxation advisor.

Baker Young charge a fee of 0.75% per annum for our Portfolio Reporting Service. The fee is calculated as a percentage of the gross value of your portfolio, calculated and payable on the last day of each calendar month.

Portfolio value	Total Management Fee 0.75% per annum
\$250,000	\$1,875
\$500,000	\$3,750
\$1,000,000	\$7,500
\$1,500,000	\$15,000

Other Remuneration We May Receive

Commissions and Handling Fees

Baker Young may receive commissions and handling fees from financial institutions and companies with whom you place monies.

Applications, Up-Front and Trail Commissions

If you apply for a new issue of securities we may receive a commission from the relevant issuer. If we act as an underwriter or a sub-underwriter we may also receive fees for acting in that capacity. Generally fees and commissions range between 0% and 6%. All fees will be disclosed in the prospectus or product disclosure statement for the issue or will be disclosed to you by us.

For managed investments, fund managers may pay us up front commissions when we invest in managed funds on your behalf. Commissions generally range between 0% and 5.5% on new investments. Ongoing commission is paid by some product providers and generally continues as long as you hold your investment with that issuer. This amount may vary and is typically 0.2% to 0.4% per annum of the value of your holding in the product. A product

disclosure statement will be made available to you by the product issuer at the time of investing detailing all fees and commissions payable.

Example: for a transaction with a value of \$100,000 where up front commission is payable at a rate of 3%, the total commission will amount to \$3,000.

How Our Advisors are Paid

Our advisors are remunerated through a combination of salaries, commission and bonuses. The exact combination of advisor remuneration is dependent on a number of factors, including the level of fees generated by them. As a general rule our advisors can receive between 30% and 50% of the fees we charge you.

Managerial and other administrative staff may receive a bonus as part of their remuneration. The bonus is entirely at the discretion of the Board.

Referrals

Where you have been referred to Baker Young by a third party such as a financial planner, accountant or other professional, we may pay an introductory fee or a share of fees and commissions in relation to that referral. There will be no additional cost to you.

All introductory fees are negotiated with the third party on a case by case basis and may be up to 50% of our charges. Please refer to the Financial Services Guide or Statement of Advice provided by the relevant third party for more detailed information on payments (if any) payable.

Potential Conflict of Interests

You have the right to be advised of any material interest that Baker Young, your advisor or any of their associates have in financial products. Material interests are those which could be reasonably expected to be capable of influencing the recommendation of a financial product or service to you.

You should be aware that:

- our advisors are remunerated wholly or in part on a commission basis
- your advisor may hold a material interest in the particular security in which you are conducting transactions
- if you have been referred to Baker Young by a third party, that person may receive a share of brokerage or other fees and commissions payable by you and
- Baker Young and or businesses or companies controlled by Baker Young may from time to time provide investment banking, corporate advisory and other financial services to issuers of financial products

Other Associations and Interests

Baker Young is not owned or controlled by a product

issuer and acts in its own capacity when recommending or offering financial products to clients, nor are we required by anyone to recommend or offer certain products over any other products to you.

Baker Young does not trade financial products on its own account.

Baker Young does not recommend margin lending or related lending products and does not provide advice in relation to those products.

Monies in Trust Account

Baker Young is entitled to retain any interest earned on credit balances held in your account from time to time.

Risks

Your advisor will explain to you any significant risks associated with investments that we recommend. If they do not do so, you should ask them to explain those risks prior to accepting any recommendation or advice. We will make enquiries to determine your risk profile at the time of opening your account, and this will assist us to provide you with appropriate advice. If you provide any information to us and your personal circumstances, needs and objectives subsequently change, you must immediately inform your advisor of those changes

General Investment Risks

Securities, in common with all other asset classes (eg property or government bonds) can increase or decrease in value over time. The measure of this change in value is often referred to as volatility. The more the asset value varies over time the more volatile the asset is and the more risk involved in investing in the asset. In general, the less volatile an asset is, the less likelihood there is for any significant capital gain or loss from investing in that asset.

Market traded products are generally more volatile than other asset classes, however, markets for other asset classes are not as efficient or transparent as the stock market in terms of the information available to investors and continuously determining and making public the real market value of the particular asset.

The real volatility of those other assets is often not fully appreciated. While it is not feasible to list all possible risks, in general the main risks of investment in market traded securities can be summarised as follows:

Overall Market Risks

The risk of loss by reason of movements in the share market generally. Any number of factors including political, economic, taxation and regulatory change can cause this risk of loss.

Domestic versus International Factors

The vulnerability of the entity in which you invest to

international events or market factors. These include movements in exchange rates, changes in trade or tariff policies, and changes in other stock or bond markets.

Sector Specific Factors

These include demand for the product the company produces, commodity prices, the economic cycle of the industry, changes in consumer demand, lifestyle changes and changes in technology.

Stock Specific Factors

These include the company's directors, the strength of management and the significance of any key personnel, the profit history, tangible asset base, debt level and fixed cost structure, litigation, profits or losses on particular contracts, drilling results, competition from within the sector and whether it is exploring for recoverable resources or developing a new product.

Investment Profiles

The capacity of an individual investor to accept investment risk and uncertain returns, depends on several factors, including:

- age
- income and salary
- personal attitudes and experience
- financial responsibilities and commitments
- value and type of existing assets
- investment timeframe eg 1 year or more than 5 years

Different investors require different investment strategies to meet their financial needs and investment objectives. In conjunction with your advisor, you need to determine the investment strategy which best suits you.

Baker Young has developed the following investment strategies to assist you in determining your risk profile:

ASX Top 100 Blue Chip Investment

A diversified portfolio which only contains holdings in Australia's blue chip companies in the ASX top 100 stocks. Some companies with comparable market capitalisation, property trusts or income securities may be included, even if they are not part of the ASX 100. These can be described as companies that have a good record of steady performance. Stocks are selected to provide dividend income and share price growth.

ASX Top 100+ Blue Chip Trading

A diversified portfolio which only contains holdings in Australia's blue chip companies in the ASX top 100 stocks. Some companies with comparable market

capitalisation, property trusts or income securities may be included even if they are not part of the ASX 100. Up to 10% of the portfolio may include new floats and emerging companies. The emphasis is on stocks with the potential for share price growth. This portfolio is aggressively traded to take advantage of share price movements. At times, cash on deposit may be high, depending on market conditions.

ASX Top 200+ Moderately Aggressive

A diversified portfolio focusing on actively trading shares from the ASX 200. Some companies with comparable market capitalisation, property trusts or income securities may be included, even if they are not part of the ASX 200. Up to 20% of the portfolio may include new floats and emerging companies. The emphasis is on stocks with growth potential. We will employ an aggressive management strategy. At times, cash on deposit may be high, depending on market conditions.

ASX Top 300+ Highly Aggressive

A diversified portfolio focusing on actively trading shares from the ASX 300. Some companies with comparable market capitalisation, property trusts or income securities may be included, even if they are not part of the ASX 300. Up to 30% of the portfolio may include new floats and emerging companies. This portfolio is more frequently traded to take advantage of share price movements. At times, cash on deposit may be high, depending on market conditions.

Speculative Trading

Our highest risk strategy where the focus is on speculative shares with the potential for dynamic growth. Holdings may be bought and sold frequently to take advantage of opportunities as they arise. At times, cash on deposit may be high, depending on market conditions.

Making a Complaint

We are committed to providing a high standard of client service and maintaining our reputation for honesty and integrity. If you have any complaint about the service provided to you, you should take the following steps:

1. contact your advisor and discuss your concerns
2. if your complaint is not adequately resolved then please contact our Complaints Officer on (08) 8236 8888 or put your complaint in writing addressed to:

Complaints Officer
Baker Young Stockbrokers Limited
GPO Box 1672
Adelaide SA 5001

We will then endeavour to resolve your complaint fairly and in a timely manner within a period of 45 days. If you are not satisfied with the outcome you have the right to refer the matter to the external complaints body:

Australian Financial Complaints
Authority (AFCA)
GPO Box 3
Melbourne, Victoria 3001

Free Call 1800 931 678
Fax (03) 9613 6399
Email info@afca.org.au
Website www.afca.org.au

Complaints Against Pershing

If your complaint is in relation to financial services provided by Pershing you must direct your complaint to Pershing as set out in their Financial Services Guide and disclosure statement.

Personal Information

Baker Young is required to collect and maintain certain personal information necessary to provide a range of services to you, for example; your name, address, investment objectives, financial situation and needs. Any personal information collected will be handled in accordance with our Privacy Policy detailing how we comply with the requirements of the Privacy Act in the handling of your personal information. A copy of that policy is available at our website www.bakeryoung.com.au.

Compensation Arrangements

Baker Young holds a professional indemnity insurance policy which satisfies the requirements for compensation arrangements under the Corporations Act. Subject to the terms and conditions, the policy provides cover for civil liability resulting from third party claims concerning the professional services provided by Baker Young and its employees and representatives. This policy provides coverage for past employees and representatives in respect of professional services provided while they were engaged by Baker Young.

Anti-Money Laundering & Counter Terrorism Obligations

As a provider of financial services, Baker Young has an obligation under the Anti Money Laundering & Counter Terrorism Act to verify the identity of any person, company or trust applying to Baker Young for the provision of a financial service.

We may request and retain copies of documents including birth certificates, passports, drivers licences, trust deeds and company searches. Baker Young may also request further personal information as required under the Act.

You should note that Baker Young is not obligated under the law to execute any trades for a client unless the client has been properly identified and verified to our satisfaction.

Best Execution Policy Disclosure

Changes to the Australian Stock Market

Baker Young currently executes market transactions in the ASX TradeMatch market via the widely used IRESS system.

In late October 2011, Chi-X entered the Australian stock market providing an alternate market to the ASX. Chi-X initially offered trading in the biggest and most liquid listed securities on the Australian market and will gradually cover the whole market over time.

ASX also launched a second trading service called PureMatch in November 2011.

Both these new markets are new and in future they may or may not be suitable for your circumstances and situation and needs. Baker Young will continue to deal solely through ASX TradeMatch market via IRESS and continually monitor the performance of other trading services and markets as develop. Baker Young consider it appropriate at this time to execute trades on a price-time priority basis solely with ASX TradeMatch, the main financial market operated by the ASX.

As an ASX Market Participant, Baker Young is required to handle and execute your orders in accordance with the Australian Securities and Investments Commission Market Integrity Rules. These rules include a best execution obligation which means Baker Young must take reasonable steps to achieve the best outcome for you when executing your orders and explain how it will achieve this.

We are committed to our obligation to provide you with best execution services when handling and executing your orders.

What is "Best Execution"?

Best Execution means that when handling and executing your order Baker Young must take reasonable steps to obtain the best possible price and best total consideration for you after taking into account your instructions.

Best total consideration means:

- for a buy order, the purchase price (i.e. price x volume) paid plus transaction costs: and
- for a sell order, the sale price (i.e. price x volume) received less transaction costs.

Baker Young may take into account other implicit costs such as the likelihood of execution or liquidity and the direct and indirect costs of accessing alternative financial markets in assessing the best total consideration.

Where you provide specific instructions to us you should be aware that you may not obtain best execution.

Best execution may be achieved by using our systems and skills to buy and sell stock at the best

price available in the market. Your instructions may affect this if you instruct us to buy or sell a given number of securities at or up to a specific price or may be affected by your specific instruction to buy or sell a given amount of securities at market price available at the time rather than at a specific price or price limit.

Baker Young may accept your order to buy and sell securities by telephone, email, fax or post and your instructions and orders are dealt with in accordance with Baker Young's Terms and Conditions.

Baker Young will generally give price a higher importance than other factors, including the circumstances of the order, the need for timely execution, market liquidity and potential price impact. Your order will be transmitted to the ASX TradeMatch order book as soon as reasonably practical after taking into account your instructions, and we will take reasonable steps to obtain the best price available in the market. Your instructions in relation to orders must be clear and unambiguous.

What if I am a "Wholesale Client"?

If you are a "wholesale client" you may provide a standing instruction to us relating to how you wish your orders to be managed. Including a request that best execution not apply to you as other outcomes such as speed, likelihood of execution and other considerations are required.

Any standing instruction must be reviewed and renewed at least annually to ensure the instructions remain relevant.

Will There be any Changes?

Baker Young actively monitor and assess Chi-X and other trading services, however at this time we do not consider that these services assist us in meeting our best execution obligations.

We will provide you with advance notice should we transition to alternate order books and markets and explain what this may mean for you and your trades well before any changes occur.

Baker Young values you as a client and are committed to providing quality advice and services in dealing with you.

Baker Young will notify you of any material changes in our trading services.

Trading Terms and Conditions

General

Baker Young and Pershing

Baker Young has entered into a third party Clearing Agreement with Pershing Securities Australia Pty Ltd to settle and clear ASX transactions executed by Baker Young and you should be aware that:

- (a) Baker Young will act as your CHES Sponsoring Participant, however Pershing will administer your holdings in CHES
- (b) transaction confirmations will be issued by Pershing and contain a reference to Pershing as Clearing Participant
- (c) If you settle your transactions via direct debit and credit arrangements your account statement will identify Pershing as the entity which has debited or credited your nominated bank account
- (d) If you settle your transactions via BPay facilities the BPay Biller will be Pershing

Payments to Pershing

Payment for purchases of securities must be received by Pershing by the close of business on the first Business Day following the transaction so that Pershing can settle the purchase on the second Business Day (T+2).

You are able to pay Pershing by:

- (a) Direct debit from your nominated bank account – the fastest and most efficient manner method of payment of settlement
- (b) BPay prior to 6.00 pm on the second day after the transaction
- (c) Cheque – payment by cheque is not recommended due to the possible delays in cheques being received by Pershing.

Baker Young Sponsorship

Baker Young recommend that you register your shareholdings in the CHES system with Baker Young as your Sponsorship Holder to enable us to maintain an accurate record of your holding and enable the efficient and timely settlement of transactions. CHES is the central electronic transfer and settlement system operated by the ASX. Sponsorship by Baker Young does not prevent you from dealing with another stockbroker.

The following terms and conditions ("Terms") will apply to all accounts at Baker Young Stockbrokers Limited ("Baker Young", "we", "us" or "our").

Any additional or different terms stipulated by you or set out in any communication from you will not be effective or binding upon us unless agreed by us in writing.

These terms are subject to the constitution, rules, regulations, and customs and usages of ASX, ASX Clear, ASX Settlement, ASIC and the Corporations Act 2001 (Cth) ("Rules") and regulations thereto and to the extent of any inconsistency between the Rules and these Terms the Rules shall prevail.

By executing an account application or placing an order with Baker Young on an existing or new account, you agree to be bound by the following terms and conditions and as they may be amended from time to time.

There are additional documents which you must execute in order to trade in certain types of derivatives and securities on ASX:

- (a) to trade in exchange traded options you must also sign a Client Agreement for ASX Derivative Products;
- (b) to trade in exchange traded warrants you must also sign a Client Agreement for ASX Warrants; and
- (c) to trade in exchange traded partly paid securities you must also sign a Client Agreement for ASX Partly Paid Securities.

1. Definitions

APRA means the Australian Prudential Regulation Authority.

ASIC means the Australian Securities and Investments Commission.

ASIC Rules means the ASIC Market Integrity Rules, regulations thereto and relevant Regulatory Guides.

ASX means ASX Limited (ACN 008 624 691).

ASX Clear means ASX Clearing Corporation Limited (ACN 087 801 554).

ASX Group means any or all of ASX Clear, ASX Settlement and ASX.

ASX Settlement means ASX Settlement Corporation Limited (ACN 008 617 187).

Clearing Rules means the Clearing Rules of ASX Clear.

Financial Product has the meaning given to that term in Division 3 of Part 7.1 of the Corporations Act 2001 (Cth), and includes but is not limited to the financial products set out in clause 2.

Financial Service has the meaning given to that term in Division 4 of Part 7.1 of the Corporations Act 2001 (Cth), and includes but is not limited to the financial services set out in clause 2.

GST means the goods and services tax described in the A New Tax System (Goods and Service Tax) Act 1999, and related Acts, or any similar tax.

Market means the market operated by the ASX.

Operating Rules means the Operating Rules of ASX.

Order means any order placed by you with us to acquire or dispose or otherwise deal in Financial Products.

Pershing means Pershing Securities Australia Pty Ltd (ABN 60 136 184 962); AFSL No. 338264.

Rules means the Operating Rules, Clearing Rules, Settlement Rules and ASIC Rules.

Services means any Financial Services provided by us to you including, but not limited to, those services set out in clause 2.

Settlement Rules means the Settlement Rules of ASX Settlement.

Transaction means a transaction formed on execution of an Order.

You means the person named as the client or otherwise bound by the Terms. If there are more than one, you means each of them separately and every two or more of them jointly and includes your successors and assigns.

2. Financial Services Provided By Baker Young

- (a) We will provide you with Financial Services, including dealing in a Financial Product and providing financial product advice, together with related research (where available) in relation to ASX listed Financial Products, securities, bonds, managed investments and any other Financial Products agreed by you and us.
- (b) Unless you are otherwise notified, these Terms govern the provision of all Financial Products and Financial Services from us to you.
- (c) Where you are notified that Financial Services offered by us are subject to alternative terms and conditions (the "Alternative Terms"), in the event that there is inconsistency between these Terms and the Alternative Terms, the Alternative Terms prevail.

3. Authority

You represent and warrant that you have the authority and power necessary to place Orders with us under these Terms, that you will comply with all applicable laws and, if you are an individual that you are over the age of 18.

If you wish another person to give instructions on your behalf, you must complete the third party

authority section in the Account Application. Any change to this authority must be notified to Baker Young in writing.

4. Joint Accounts

If your account is a joint account, these terms and conditions bind each of you jointly and severally and each of you acting severally has full authority to operate the account.

Baker Young may act on the instructions of any joint account holder without the necessity to refer to or notify any other person in connection with those instructions.

5. Company Accounts

If this account is in the name of a company, unless otherwise specified in writing, Baker Young may act on the instructions of any one of the directors of the company as advised by you without the necessity to refer to or notify any other person in connection with those instructions.

6. Trustees

If you are a trustee you represent and warrant:

- (a) you agree these Terms will bind you in your personal capacity and your capacity as trustee;
- (b) you can and are entitled to be indemnified out of the assets of the trust for all liabilities incurred by you under these Terms; and
- (c) you have properly exercised your trust powers and have full authority under the trust to enter into any agreement with Baker Young and if you are a trustee of a superannuation fund you have complied with all relevant superannuation laws and regulations.

7. Powers of Attorney

If securities are bought and sold by Baker Young on instruction from you relying on a power of attorney granted to you, you must forward to Baker Young prior to the transaction a certified copy of the relevant power of attorney.

8. Investment Needs and Financial Position

- (a) You have disclosed your investment objectives, financial position and particular needs (your "relevant personal circumstances") to us to assist us to provide advice or make recommendations suitable to your individual situation ("Personal Advice"). You also agree to promptly notify us of any changes to your relevant personal circumstances. You warrant that any information that you provide to us is true and correct.

- (b) You acknowledge that full disclosure of your relevant personal circumstances has been requested by us.
- (c) You further acknowledge that if you do not give all the details requested by us in relation to your relevant personal circumstances, or fail to promptly notify us of changes in relation to your relevant personal circumstances that:
 - (i) we can only give you limited advice which may not suit you. Limited advice may be based on incomplete or inaccurate information relating to your personal circumstances and because of this, you should, before acting on the limited advice, consider the appropriateness of the advice having regard to your relevant personal circumstances; and
 - (ii) this may impair your rights under the Corporations Act 2001 (Cth); and
- (d) If you do not provide us with your relevant personal circumstances, you acknowledge and agree that we will only provide you with General Advice, meaning that we have not taken into account any of your individual characteristics or needs. When we provide General Advice, you must consider the appropriateness of the advice, having regard to your objectives, financial situation and needs and you must read any relevant Disclosure Document or Product Disclosure Statement in full and consider it before making any decision. Further, you should make your own decision on whether the Financial Product or Financial Service suits your needs. You acknowledge that we will not be liable for any advice given if the Financial Product or Financial Service does not suit your needs.

9. Orders and Execution

- (a) Either you or your authorized agent may place Orders with us verbally or in writing (including electronically see clauses 18 and 19). Each Order we execute for you, where applicable, is subject to the Corporations Act 2001 (Cth), the Rules, the directions, decisions and requirements of ASIC and the ASX Group, the customs and usages of the Market (each as amended from time to time) and the correction of errors and omissions. We reserve the right to refuse to accept or place a limit on any Order in our absolute discretion for any reason. We will not be responsible for confirming the receipt of instructions or verifying the authenticity of your instructions. You agree we can provide confirmations in paper or electronic form.
- (b) You acknowledge we may submit orders for other clients and or an order for our own account or our affiliates or other prescribed persons and allocations shall be in accordance with our allocation policy, a copy of which is available from your advisor. We reserve the

right to change the allocation policy at any time without notice to you.

- (c) You acknowledge we are entitled to cancel or reverse a Transaction or Order without notice to you where ASX Group or ASIC has recommended or required cancellation for market integrity reasons, or where the market was operating under an error, or where the cancellation or reversal is permitted under the Rules.

10. Short Selling

You warrant you have a presently exercisable and unconditional right to have the Financial Products vested in you prior to placing any sell order. If you wish to short sell you must enter into a separate agreement with us prior to any short sale and notify us at the time of placing your order that the Financial Product is being sold short.

11. Client as Principal

In placing an order, you acknowledge that we will be acting as your agent and that you will be acting as principal and not as agent for any other party. All transactions will be undertaken on the basis that you undertake as primary obligor all obligations with respect to the execution of any order.

12. Recording Conversations

You acknowledge that we may record our telephone conversations with you. Telephone recordings may be retained and may be reviewed for quality control and other purposes by us.

13. Trade Confirmation

Each dealing between you and Baker Young is subject to the provisions of the relevant trade confirmation issued by Pershing. If there is any conflict between these Terms and the terms of the trade confirmation, the terms of the confirmation will prevail.

Pershing may issue a further confirmation if the previous one contained any errors or omissions. Under those circumstances, the further confirmation will supersede the previous one in all respects.

14. Your Money

Any funds received by Pershing and or Baker Young from you, or on your behalf, will be held in trust by Pershing and or Baker Young, unless otherwise directed by you in writing. Pershing and or Baker Young will retain the interest earned on those funds. You acknowledge that when amounts due to you are paid electronically or by cheque, Pershing and or Baker Young will pay such amounts to you via a bank regulated by APRA.

You acknowledge that money placed on deposit for you will not be covered by the trust provisions of the Corporations Act 2001 (Cth) or the Rules.

You further acknowledge that the National Guarantee Fund does not cover all Financial Products.

15. Fees and Charges

You agree to pay or reimburse Pershing and or Baker Young (as directed) on demand:

- (a) all fees and charges charged by Pershing and or Baker Young from time to time in relation to your ASX and other securities dealings, including without limitation our commission or brokerage and other miscellaneous costs incurred in relation to your dealings, including duties and taxes payable including GST;
- (b) all amounts incurred by us as a result of your default under these Terms, the Corporations Act 2001 (Cth) and the Rules, to settle or otherwise (including fail fees, late settlement fees and other penalties);
- (c) interest on any overdue amounts, which is charged using the method and interest rate Pershing and or Baker Young determine from time to time; and
- (d) any fees or charges that are imposed for the provision of any additional service request (for example, off-market transfer requests, additional reporting, corporate actions, administration or reporting services).

You authorise Pershing and or Baker Young to offset or deduct any amounts payable by you to Pershing and or Baker Young from any account maintained by Pershing and or Baker Young for you and the proceeds of any sell order transacted by Pershing and or Baker Young on your behalf.

16. Settlement

Baker Young may at its discretion require you to provide sufficient money or securities to settle a proposed transaction before the transaction is executed by Baker Young.

You agree to settle transactions by the settlement date shown on the confirmation and to deliver to us funds to cover any payment for the acquisition of Financial Products and or any instruments or documents of title for the disposal of Financial Products. If you fail to deliver such documents to us by the date on the confirmation, we may acquire equivalent Financial Products at your expense to make good your default.

Baker Young and Pershing are unable to accept payments from you in cash because of restrictions under the Financial Transactions Reports Act 1988. All payments by you under this agreement must be made by:

- direct debit to Pershing;
- cheque payable to Pershing; or
- some other means acceptable to Pershing

In consideration of Baker Young dealing on your behalf, you agree to and acknowledge Peson's direct debit terms and conditions.

Pershing will pay amounts due to you in accordance with your instructions, subject to these Terms, unless delivery is made in another name in which case payment will be made in the name of the registered holder of the relevant securities.

17. Rights Over Your Funds & Financial Products

Pershing and or Baker Young are entitled to retain any Financial Products or sums due to you pending payment of any sums due to us and to set off sums due to us against amounts that Pershing and or Baker Young hold for you in any account. If you fail to make payment to us we have a general lien over and power to sell or realise any Financial Products which Pershing and or Baker Young or a related body corporate hold for you.

18. Facsimile Documents

If you provide documentation or instructions by way of facsimile, you agree to release Baker Young and its related companies from, and indemnify them against, all losses and liabilities arising from any payment made or action taken by Baker Young based on any documentation or instruction (even if not genuine) that is received and which bears a signature, apparently yours or that of an authorised signatory. You also agree that neither you nor anyone claiming through you has any claim against Baker Young and its related companies in relation to these payments or actions.

19. Electronic Instructions

You acknowledge and agree that Baker Young may in its absolute discretion refuse to accept instructions by way of email or other electronic means. You also acknowledge that email transmission may be incomplete or delayed and Baker Young takes no responsibility for any errors or delays suffered as a result of sending email instructions. If you provide instructions by way of email or other electronic means, you agree to release Baker Young and its related companies from, and indemnify them against, all losses and liabilities arising from any payment made, action taken or failure to act by Baker Young based on any instruction (even if not genuine) that is received from any email or other electronic address, which you have identified to Baker Young as belonging to you or an authorised person. You also agree that neither you nor anyone claiming through you has any claim against Baker Young and its related companies in relation to these payments, actions or failures.

20. Financial Advisor (Dealer Group)

If you are a client of a financial advisor or dealer group, you acknowledge and agree that:

- orders placed with us will be carried out on an execution only basis and we will not provide you with any Personal Advice or recommendations relating to the merits of any securities;
- your financial advisor (not us) is responsible for giving Personal Advice to you in relation to the relevant Financial Product and your financial advisor is required to obtain information concerning your investment objectives, financial situation and particular needs to ensure that he or she has a reasonable basis for recommendations made to you; and
- any General Advice or recommendations provided by us will be made only to your financial advisor who will assess the suitability of any such advice or investment recommendations based on your investment objectives, financial situation and particular needs.

21. Payments of Rebates

If you are a client of a financial advisor or dealer group, or you have been referred to us by another person, they may receive a benefit including a share of the brokerage arising from the transaction.

22. CHESS Sponsorship

You acknowledge that transactions executed by Baker Young will upon settlement be registered as instructed by you in accordance with the details on the application form. Unless you elect not to be sponsored by Baker Young in CHESS, by signing the application form you acknowledge that you are electing to have your ASX listed share transactions sponsored by Baker Young in the Clearing House Electronic Sub-register System (CHESS) in accordance with the CHESS Sponsorship terms and conditions which are contained in the application form and as amended from time to time.

As your CHESS Sponsor, Baker Young will through Pershing (Baker Young's Clearing Participant) control the shareholdings established by Baker Young or Pershing in CHESS on your behalf. Subject to the terms and conditions for operating an account and the terms of the CHESS Sponsorship Agreement, Baker Young will act on your instructions to transfer or convert these shares at your request. You agree to notify Baker Young of any error or subsequent change to information which is relevant to the registration of shares in your name.

23. Disclosure of Interest

You acknowledge that we may execute Orders for you in circumstances where we or our associates:

- hold a position or deal in the Financial Products;
- provide similar Services to other persons in relation to the Financial Products;
- are allocated a sale or purchase of Financial Products when we have an unexecuted Order on the same terms from you;
- take the opposite position in a Transaction (including a crossing) either acting for a client or on our own account we may charge you brokerage at the normal or agreed rate;
- sponsor or underwrite a new issue involving the Financial Product;
- have material price sensitive information relating to Financial Products where the individuals processing your Order are prevented from knowing or taking into account such information by reason of Chinese Walls, or
- have a potential conflict of interest of which you are not aware and which we are unable to disclose to you.

24. Research

You acknowledge that:

- (a) Any information contained in research reports provided by Baker Young or on Baker Young's website contains information, recommendations and opinions of a general nature and does not constitute Personal Advice, and may not be suitable for or take into account your relevant personal circumstances;
- (b) before acting on any information, recommendation or opinion contained in any research report provided by Baker Young or on Baker Young's website, you should always consider the appropriateness of that material having regard to your relevant personal circumstances, or consult your financial advisor; and
- (c) Baker Young accepts no responsibility for any information, recommendation or opinion contained on any sites linked to Baker Young's website or on any forum that Baker Young hosts.

25. Privacy Rights

We will keep all your information confidential and will not disclose it without your consent except as required by law, as is necessary to execute your order or for credit reporting purposes. Under section 28E(8) of the Privacy Act 1988 (Cth) we may give certain personal information about you to a credit reporting agency. The information that we may give is limited to the information allowed under section 18E(1) of the Privacy Act 1988 (Cth). This includes:

- your identity details (your name, sex, date of birth, your current and previous addresses, your current or last known employer and your drivers licence);
- the fact that you have applied for credit and the amount;
- the fact that we are a credit provider to you;
- payments overdue for at least 60 days, and for which collection action has commenced;
- advice that payments are no longer overdue;
- cheques drawn by you which have been dishonoured more than once;
- in specified circumstances, that in our opinion you have committed a serious credit infringement; and
- that the credit provided to you by us has been paid or otherwise discharged.

By entering into your agreement with us you acknowledge and agree that:

- we have informed you that we may give certain personal information about you to a credit reporting agency;
- in order to assess your application for personal credit, you agree to us obtaining a report about your commercial activities or commercial credit worthiness, from a business that provides information about the credit worthiness of persons; and
- in order to assess your application for commercial credit, you agree to us obtaining from a credit reporting agency a credit report containing personal credit information about you in relation to commercial credit provided by us.

26. Liability and Indemnity

Baker Young shall not be liable for any loss or damage sustained by you or any person claiming through you arising or caused as a result of or in connection with:

- (a) any breach by you of these Terms, our Agreement with you, the Rules, or the Corporations Act 2001 (Cth);
- (b) misrepresentation of any information provided by either of us in connection with transactions contemplated by these Terms;
- (c) a delay in the execution of your order during the time it takes for Baker Young to follow its internal procedures (e.g. opening accounts, transferring CHESS holdings, confirming your identity, or any other matter as required by Baker Young from time to time);

- (d) a delay in the execution of your order or an inability to complete your order due to the failure of any telephone, computer or other electronic services, including the ASX or any other stock exchange's trading systems;
- (e) Baker Young refusing to accept or act on your instructions;
- (f) Baker Young complying with a directive or instruction from Pershing; and
- (g) a situation where Baker Young is unable to receive your instructions, or is unable to receive or act on your instructions due to circumstances beyond Baker Young's reasonable control or Baker Young exercises its rights or invokes its discretions under these Terms, except to the extent that the loss or damage was caused by Baker Young's fraud or dishonesty.

You indemnify Baker Young and its directors, officers, employees and agents ("those indemnified") from and against all sums of money, actions, proceedings, suits, claims, demands, damages, costs, expenses and any other amounts whatsoever arising out of any Order or transaction or any default by you under these Terms, or anything lawfully done by us in accordance with these Terms or at your request, or by reason of us complying with any direction, request or requirement of the Rules, the Corporations Act 2001 (Cth) or by any regulatory authority including ASIC and the ASX Group.

This clause shall survive termination of any agreement between yourself and Baker Young.

27. Currency

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.

28. Termination

Either party may terminate these Terms by notifying the other in writing of its intention and Termination will be effective on the date of receipt of the written notice. Termination of these Terms does not affect any obligations that have accrued before that time. On Termination we will close out all open contracts unless you direct us to transfer the registration of the contracts to another party.

29. Financial Services Guide

You acknowledge that you have read and understood the Financial Services Guide and any Statement of Advice provided by Baker Young together with these Terms.

30. Governing Law

These Terms are governed by and construed in accordance with the law of South Australia and the parties submit to the non-exclusive jurisdiction of the courts of South Australia.

31. Severability

Each part of these Terms is severable from the balance of these Terms and if any part of these Terms is illegal, void, invalid or unenforceable, then that will not affect the legality, effectiveness, validity or enforceability of the balance of these Terms.

32. Time of Essence

Time is of the essence with respect to these Terms.

33. Direct Debit Payment Option

The following terms apply when you nominate Direct Debit as a payment option in the account application form. A direct debit facility is where a client authorises a service provider, in this case Pershing, to withdraw money directly from their nominated account to pay for fees and charges incurred. The Pershing direct debit facility facilitates you to pay for brokerage or other fees and charges as incurred.

a) Our commitment to you – Debit arrangements

We will provide you with written details of the Pershing debit arrangements. We reserve the right to cancel the Pershing debit arrangements if three or more debits are unpaid by your nominated Financial Institution and arrange with you an alternate payment method. We will keep all information pertaining to your nominated account at the Financial Institution strictly private and confidential.

b) Your rights

You may terminate the Pershing debit arrangements at any time by giving written notice to us. Such notice should be received by us at least five (5) business days prior to the due payment date. Where you consider that a debit has been initiated incorrectly (outside the Pershing debit payment arrangements) you should discuss the matter with us directly.

Due to the nature and procedures involved in the settlement of transactions effected on the ASX, requests for deferment of payment of your obligations cannot be accepted.

c) Your commitment to us – Your responsibilities

It is your responsibility to ensure that sufficient funds are available in the nominated account to meet a debit on its due date. It is your responsibility to ensure that the authorisation given to draw on the nominated account, is identical to the account signing held by the Financial Institution where the account is based.

It is your responsibility to advise us if the account nominated by you to receive the Pershing debit is transferred or closed.

It is your responsibility to arrange with Pershing a suitable alternative payment method if the Pershing debit arrangements are cancelled either by yourselves or the nominated Financial Institution.

d) You acknowledge that:

- (i) the Financial Institution may, in its absolute discretion, determine the order of priority of payment by them of any monies pursuant to this request or any authority or mandate;
- (ii) the Financial Institution may, in its absolute discretion, at any time by notice in writing to you, terminate this request as to future debits; and
- (iii) Baker Young may, by prior arrangement and advice to you, vary the amount or frequency of future debits.

34. Corporate Actions

Where you are entitled to elect to take up rights attributable to Financial Products (for example, where there is a rights issue or a takeover offer), we will elect to take up those rights on your behalf provided that you notify us that you wish to take up those rights by midday on the date by which the election is required by the Issuer (which may be a date earlier than the original date notified by the Issuer).

35. Electronic Confirmation

If you have provided us with your email address, you may receive confirmation of any Transaction electronically to your email address rather than by post. You agree to promptly advise us of any change to your email address.

36. Electronic Communications

You acknowledge that communications that we send to you by way of email or other electronic means, including any attached documents, (together, "electronic communications") will not be encrypted. We do not guarantee that electronic communications that we send will be secure, error free or virus free. We reserve the right to monitor all electronic communications.

37. Effect of Death

You agree, if you are an individual, that if you should die during the term of this agreement, your personal representative(s) will ratify and confirm all acts and things which we have 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.

Baker Young Allocation Policy

General

This is Baker Young's allocation policy in accordance with ASIC Market Integrity Rule 5.1.8 and includes important information in relation to Baker Young's allocation procedures. Baker Young aims at all times to:

1. act in our clients' best interest;
2. act in accordance with client instructions; and
3. treat client orders and subsequent executions fairly and in due turn with other client orders and with orders of Baker Young and Prescribed Persons.

Prescribed Persons means:

- (a) an employee, a director, a partner, a Responsible Executive of Baker Young;
- (b) a controller or a related body corporate of a controller of Baker Young;
- (c) the immediate family of any person referred to in (a) or (b) above;
- (d) a family company or a family trust of any person referred to in (a) or (b) above;
- (e) any body corporate or other entity controlled by Baker Young.

Baker Young when executing orders and in subsequent allocations, adopts the following procedures.

1. Entry of order for execution

- (a) No Discretion

If an order does not require the exercise of Baker Young's discretion in relation to the timing or price of the order, then orders are entered in accordance with any reasonable client instructions received, and if no instruction is given, then orders are entered in the sequence in which the orders are received by Baker Young, and otherwise as expeditiously as possible.

- (b) Discretion

If the order requires an exercise of discretion by Baker Young in relation to the timing or price of the order, then the order will be entered in such manner and at a time that Baker Young considers appropriate, taking into account any

client instructions received and our obligation to act in the client's best interests.

2. Allocation of Executions

Baker Young will allocate executions fairly, and in particular, individual orders submitted for execution will be allocated as filled and received back from ASX following execution of that order. Where a number of orders are executed pursuant to the instructions of a single client, they will be allocated according to that client's instructions. The general principles set out above apply equally to execution and allocations between two or more client orders; and execution and allocations between a client order and a Prescribed Person.

3. Client Order Precedence

Client orders which are on the same terms as orders of Baker Young or Prescribed Persons are generally given precedence. This means that from the time of receipt of the order until it is fully executed, Baker Young will not buy or sell the securities on its own account on the same terms unless the securities are allocated to the client in accordance with the client's instructions.

In certain circumstances, for example where a related party or Prescribed Person of Baker Young is not aware of Baker Young's client order flow, then their orders may be treated on the same basis as clients (see Clause 2 above) and clients may not be given precedence where their order is on the same terms as the Prescribed Person.

4. Accumulation and Price Averaging

This policy does take into account the Accumulation and Price Averaging of Market Transactions in accordance with ASIC Market Integrity Rule 3.4.2.

5. Crossings

In relation to crossings under the ASX Market Operating Rules:

- (a) client's orders may match opposite client orders entered into a Trading Platform by Baker Young, effectively resulting in a crossing and entitling Baker Young to commission from both sides of the transaction; and
- (b) if Baker Young does deal as Principal, the client's order may match opposite orders entered into a Trading Platform by Baker Young as Principal.

6. Adjustments

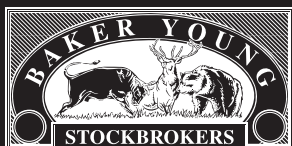
Baker Young may make small, reasonable adjustments to the allocations where this will not have a material effect on the client's order and is not contrary to the client's instructions (for example, to

ensure shares allocated meet the marketable parcel requirements).

This policy is provided subject to Baker Young's Terms set out in the Financial Services Guide, and is subject to change without notice.

If you have questions in relation to this policy, or do not consent to this application of this policy, please contact your Baker Young advisor.

Note: This document is in two parts. Please also refer to the Financial Services Guide.



CHESS

SPONSORSHIP

Terms & conditions

WHAT IS CHESS?

CHESS is an ASX computer system that manages the settlement process and registration of securities. It is operated by the securities clearing house under the ASX Settlement Rules. Instead of receiving a share certificate, you receive a holding statement.

Only certain categories of people may control securities on CHESS (Baker Young and the Clearing Participant fall within these categories). Other people who have securities on CHESS need their holding 'sponsored' by a 'controlling participant' for the purposes of CHESS. This agreement relates to your appointment of Baker Young as your 'controlling participant'.

THIS AGREEMENT

1. Through your acknowledgement of the Client Application Form (of which the CHESS Terms and Conditions form part) you elect to have your holding as specified in the Client Application Form sponsored by Baker Young ("we" or "us") and as such, you agree to be bound by the following CHESS Terms and Conditions.

OUR AUTHORITY AND OBLIGATIONS

2. You appoint us as your 'controlling participant' for the purposes of CHESS with respect to your holding with the holder identification number (HIN) specified or to be specified in the Client Application Form. A HIN is a number that is used to identify a holding in CHESS. You authorise Baker Young to add the relevant HIN(s) to the form after you have agreed to the CHESS Terms and Conditions and you have signed the Client Application Form. You are entitled to receive a hard copy of the executed Client Application Form at any time. We will provide you with a copy within three (3) Business Days of receiving your written request.
3. You authorise us as your agent to act under CHESS relating to your holding.
4. You acknowledge that:
 - (a) Baker Young is a party to an Equities and Derivatives Clearing Agreement with Pershing Securities Services Australia Pty Ltd AFS Licence 338264 and ABN 60 136 184 962 (the "Clearing Participant"). The Clearing Participant is obliged to settle as principal and has the settlement obligations for all ASX Transactions and

- (b) Derivatives Contracts of Baker Young and all ASX Transactions following the exercise of a Derivatives Contract (including your transactions); and
 - (c) the Clearing Participant will now administer your Participant Sponsored Holdings on behalf of Baker Young but Baker Young remains responsible to you for any actions or matters done or omitted to be done in respect of your Participant Sponsored Holdings.
5. Subject to paragraphs 6 and 7, Baker Young through the Clearing Participant will initiate any Transfer, Conversion or other action necessary to give effect to Withdrawal Instructions within the Scheduled Time and specifically:
 - (a) where you have authorised Baker Young to buy financial products, the Clearing Participant, will pay for those financial products within three (3) Business Days of the date of purchase; and
 - (b) the Clearing 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 instructions.
 6. The Clearing Participant is not obliged to transfer Financial Products into your holding until payment is received. If Baker Young or the Clearing Participant demand that you pay for financial products but the contract for the purchase of those financial products, entered into on your behalf by us, remains unpaid, we may sell those financial products at your risk and expense (including any brokerage and stamp duty) and, where required, account to the Clearing Participant for the proceeds of the sale.
 7. If you have not paid an amount which is lawfully owed to us or to the Clearing Participant, we or the Clearing Participant may refuse to comply with your Withdrawal Instructions (but only to the extent necessary to retain in the Client's holding sponsored under the Client's Sponsorship Agreement with Baker Young, financial products with a value equal to 120% of the current market value of the amount claimed).
 8. If you fail to pay an amount which is lawfully owed to us or to the Clearing Participant or fail to deliver information or documents to us or the Clearing Participant by the settlement date (or fail to settle a trade), you authorise us and each of our directors, officers and managers to give any instructions

on your behalf which we deem fit in our absolute discretion in relation to your holding. We may charge and/or nominee your holding or sell the holding and place the Clearing Participant in a position to apply your holding and proceeds thereof in reduction of your liability to us or to the Clearing Participant and to recover any associated costs upon taking such action.

9. Where an amount is lawfully owed to us or to the Clearing Participant either by you or a third party in connection with your holding sponsored by Baker Young which has been lodged by you with the Clearing Participant as collateral, in addition to having the right to refuse to comply with your Withdrawal Instructions, we also have a charge and a power of sale in relation to such collateral holding, to recover the amount owing at any time. The Clearing Participant may ask that you execute a Deed of Charge in favour of Baker Young or the Clearing Participant in which case you must comply with this request.
10. Subject to clause 6, and ASX Settlement Operating Rule 7.4 (AQUA Products), we will not initiate any transfer or conversion into or out of your holding sponsored under this Agreement without your prior written or verbal authority.
11. You must advise Baker Young if:
 - (i) your details change;
 - (ii) you wish to change your Controlling Participant under CHESSE;
 - (iii) you become bankrupt;
 - (iv) you wish to issue Withdrawal Instructions in relation to your sponsored holdings;
 - (v) you wish to create Sub-positions over your sponsored financial products; or
 - (vi) you wish to terminate your Sponsorship Agreement with Baker Young.
12. You must arrange for Baker Young to be notified in the event of your death.
13. If you die or become bankrupt, a Holder Record lock will be applied to all your holding sponsored under this agreement in accordance with the ASX Settlement Rules 8.15.8 to 8.15.11, unless your legally appointed representative or trustee elects to remove those holdings from the CHESSE Subregister; and if you die, this agreement is deemed to remain in operation in respect of the legally appointed representative authorised to administer your estate for a period of up to three calendar months after the removal of the Holder Record lock pursuant to the ASX Settlement Rules, unless your legally appointed representative elects to remove the holdings sponsored under this agreement from the CHESSE Subregister. If you are a joint holder, you also acknowledge that:

(a) if one of the joint holders dies, all holdings under the joint Holder Record shall be transferred into a new holding under a new Holder Record in the name of the surviving holder and this agreement remains valid for the new holdings under the new Holder Record; and

(b) if one of you becomes bankrupt, we will:

- (i) establish a new Holder Record in the name of the one of you that is bankrupt, transfer that person's interest into new holdings under the new holder record and request the ASX Settlement to apply a holder record lock to all holdings under that Holder Record (unless the legally appointed representative of the bankrupt holder elects to remove the holdings from the CHESSE Subregister); and
 - (ii) establish a new Holder Record in the names of the other joint holders and transfer their interest into new holdings under the new Holder Record.
14. If a Transfer is taken to be effected by us under Section 9 of the ASX Settlement Rules and the Source Holding for the Transfer is a Participant Sponsored Holding under the Sponsorship Agreement, then:
- (a) you may not assert or claim against ASX Settlement or the relevant issuer that the Transfer was not effected by us or that we were not authorised by you to effect the Transfer; and
 - (b) 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.

EXCHANGE TRADED OPTIONS, PLEDGING AND SUB-POSITIONS

15. Where you arrange with ASX Clear to lodge Derivatives Cover in a Participant Sponsored Holding, and inform us of the arrangement, you authorise us to take whatever action is reasonably required by ASX Clear in accordance with the Rules to give effect to that arrangement.
16. If you tell us that a charge or other interest in securities has been or is to be given to a person, then you authorise us to take whatever action is required by that person in accordance with the ASX Settlement Rules to give effect to or record that interest.
17. We may take steps to create a sub-position over your holding in the circumstances contemplated by clauses 15 or 16. We may also create a sub-position if you consent. If we do this, your ability to transfer, convert or otherwise deal with the securities will be restricted in accordance with the ASX

Clear Rules and rules relating to sub-positions. Nothing in this Agreement operates to override any interest of ASX Clear in the financial products.

18. You must promptly give us any information or documents we reasonably ask for to enable us to:
 - (a) perform our obligations or to act as your 'controlling participant' or agent under this agreement; or
 - (b) comply with the requirements of the ASX Settlement or the ASX Settlement Rules.

INFORMATION

19. Information or documents you give us may be disclosed:
 - (a) to any person (including any Clearing Participant we may use from time to time) for the purposes listed above;
 - (b) to any regulatory authority (including ASX Clear Pty Ltd) where required by law;
 - (c) to our officers, employees, advisers and agents; or
 - (d) to enable us to enforce our rights; and
 - (e) to any other party with your prior consent.

FEES & INDEMNITIES

20. You must pay all brokerage fees and associated transactional costs within the period prescribed by Baker Young. You indemnify us against, and you must therefore pay us on demand for any liability, loss or costs (including consequential or economic loss) we suffer or incur:
 - (a) in connection with us performing our obligations under this agreement; or
 - (b) in connection with us acting as your controlling participant or agent for the purposes of CHESSE; or
 - (c) if you do something you agree not to do, or fail to do something you agree to do, under this agreement.
21. You must pay us these amounts when we ask. We can also debit any of these amounts to any account you have with us even if we do not expressly ask you to pay us. The indemnity in clause 16 is a continuing obligation, independent of your other obligations to us. It continues even after this agreement is terminated. It is not necessary for us to incur expense or make payment before enforcing a right of indemnity conferred by this agreement.

MANDATORY NOTIFICATIONS AND ACKNOWLEDGEMENTS

22. 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 regarding Sponsorship Agreements.

23. If we are suspended from CHESSE participation, then (subject to the assertion by our liquidator, receiver, administrator or trustee of an interest in securities controlled by us) you may within 20 Business Days of the ASX Settlement giving notice to you of the suspension, advise the ASX Settlement Pty Limited that you wish for your holding sponsored by Baker Young to be removed either:
 - (a) from the CHESSE Subregister; or
 - (b) from our control to the control of another broker with whom you have entered into a valid sponsorship agreement pursuant to the ASX Settlement Rules.
24. If you do not give the ASX Settlement such a notice, the ASX Settlement may change your CHESSE sponsor pursuant to the ASX Settlement Rules, in which case you will be deemed to have entered into a new sponsorship agreement with the substitute broker on the same terms as this agreement. Where you are deemed to have entered into a Sponsorship Agreement in accordance with ASX Settlement Rule 7.2.3(b) (ii), the Sponsoring Participant must enter into a Sponsorship Agreement with you within ten (10) Business Days of the change of Controlling Participant.
25. If you receive a Participant Change Notice (Notice) from Baker Young and such Notice is received at least twenty (20) Business Days prior to the effective date contained in the Notice, you are not obliged to agree to the change of controlling participant and you may choose to terminate the agreement by giving Withdrawal Instructions and indicate whether you wish to either:
 - (a) transfer your Participant Sponsored Holding to another Controlling Participant; or
 - (b) transfer your Participant Sponsored Holding to one or more Issuer Sponsored Holdings.
26. The novation in clause 24 will not take effect until you have received a notice from the New Controlling Participant confirming that it consents to acting as your Controlling Participant. The Effective Date may as a result be later than the date set out in the Participant Change Notice.
27. You will be taken to have consented to the novation of your holdings by doing any act which is consistent with the novation of the Agreement (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.
28. The Agreement continues for the benefit of Baker Young 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 not binding or effective on the Effective Date, then the Agreement will continue for the benefit of Baker Young until such time as the novation is effective, and we will hold the benefit of the Agreement on trust for the New Controlling Participant. Nothing in this clause will prevent the completion of CHESSE transactions by Baker Young 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.

- 29 If you do not take any action upon receipt of the Notice (including providing alternative instructions to Baker Young in relation to your holding) then once you receive confirmation from the new Controlling participant, this agreement will be novated to the new Controlling participant as of the date of receipt of such confirmation, on the same terms as stated in this agreement. Baker Young therefore will be released from any obligations arising on or after this date.

CLAIMS FOR COMPENSATION

30. If you make a claim for compensation, our ability to satisfy that claim will depend upon our financial circumstances.
31. You may lodge a complaint or any claim for compensation against Baker Young with Baker Young in the first instance and if you're not satisfied with the response, you may contact the Financial Ombudsman Service (FOS).
32. If a breach by us 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 Corporation Regulations, a Participant Sponsored Holder may make a claim under the relevant compensation arrangements.
33. If we breach this agreement, you may refer that breach to any regulatory authority, including ASX Settlement.

TERMINATION

34. Subject to the ASX Settlement Rules, this agreement will be terminated if:
- (a) either party notifies the other in writing that it wants to terminate this agreement (in which case this agreement is terminated from the time the notice is received unless a later time is specified in the notice);
 - (b) if we become insolvent;
 - (c) if our participation as a broker in CHESSE is terminated or suspended;
 - (d) if you give us instructions to withdraw your holdings.

35. Termination of this agreement does not affect any rights or obligations that have accrued before that time.

ASX SETTLEMENT RULES

36. This agreement is subject to the ASX Settlement Rules. You must not do anything that would prevent or hinder us from complying with our obligations under the ASX Settlement Rules.
37. If this agreement is inconsistent with the ASX Settlement Rules, the ASX Settlement Rules prevail to the extent of the inconsistency.

NOTICES AND OTHER COMMUNICATIONS

38. Unless otherwise required or permitted by us or by the ASX Settlement Rules, notices and other communications must be in writing. Written notices or other communications may be:
- (a) sent or faxed to the address or fax number of our registered office; or
 - (b) left at, or sent by courier or post to (in the case of a company) the company's head office or principal place of business or (in the case of an individual) the individual's place of residence or business last known to the person sending the document. They take effect from the time received unless a later time is specified in them. If sent by post, they are taken to be received on the second Business Day after a correctly addressed and stamped envelope is posted. If sent by courier, they are taken to be received when delivered to the correct address. If sent by fax, they are taken to be received when the sender's fax machine indicates a successful transmission to the correct fax number.

WAIVERS AND VARIATION

39. We can vary this agreement by giving you written notice of the variation. We will give you:
- (a) at least 7 Business Days' notice of the variation if the variation is, in our reasonable opinion, for the purpose of removing any inconsistency between this agreement and the ASX Settlement Rules; and
 - (b) at least 20 Business Days' notice in other cases.
40. A provision of this agreement, or a right created under it, may not be waived or varied except in writing signed by the party or parties to be bound.

OVERDUE INTEREST

41. If you do not pay us or the Clearing Participant an amount when it is due, we can charge interest on the overdue amount. We do this using the method and interest rate we determine from time to time.

REGULATORY REGIME AND APPLICABLE LAW

42. The regulatory regime which applies to the Sponsoring Participant is the Corporations Act 2001 together with the ASIC Market Integrity Rules, ASX Operating Rules, ASX Clear Rules and the ASX Settlement Rules. The Sponsored Holder can obtain information as to the status of the Sponsoring Participant from ASIC and/or ASX.
43. This agreement is governed by the laws in force in South Australia. You and we submit to the non-exclusive jurisdiction of the courts of South Australia.
44. You acknowledge that:
 - (a) before you signed the Client Application Form of which the CHESSE Terms and Conditions form part, a responsible officer of Baker Young explained the effect of CHESSE sponsorship to you and you understood the effect of this agreement; and
 - (b) contact details of a responsible officer who can provide you with further information relating to your CHESSE sponsorship are as follows:

The Compliance Manager
Baker Young Stockbrokers Limited
Level 6, 121 King William Street
Adelaide SA 5000

DEFINITIONS

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

ASX Clear means ASX Clear Pty Limited ABN 48 001 314 503.

ASX Clear Rules means the ASX Clear Operating Rules (operating rules of ASX Clear) as amended from time to time.

ASX Settlement means ASX Settlement Pty Ltd ABN 49 008 504 532.

ASX Settlement Rules means the operating rules of ASX Settlement as amended from time to time.

Bankrupt means being in a state of 'bankruptcy' as that term is defined in the ASX Clear Operating Rules.

Business Day has the meaning in the ASX Clear Rules. Generally, it means any day other than a Saturday, Sunday, New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and a day that ASX Limited declares is not a Business Day.

CHESSE stands for Clearing House Electronic Subregister System and has the meaning in the ACH business rules. It is a system of registering securities on computer.

CHESSE Subregister has the meaning in the ASX Clear Operating Rules. Generally, it means that part of a register of securities that is administered by the ACH.

Clearing Participant means Pershing Services Australia Pty Ltd AFS Licence 338264 and ABN 60 136 184 962

Conversion has the meaning in the ASX Clear Operating Rules. Generally, it means the movement of securities from one holding on one Subregister to another holding on another Subregister without a change in legal ownership.

Costs includes charges and expenses (including stamp duty and other government charges); and costs, charges and expenses in connection with legal and other advisers on a full indemnity basis.

Holder Record has the meaning in the ASX Clear Operating Rules. Generally, it means the details recorded by ACH in CHESSE for the purpose of operating one or more holdings.

Holder Record Lock has the meaning in the ASX Clear Operating Rules. Generally, it means the facility in CHESSE for preventing securities from being deducted from a holding.

Holding has the meaning in the ASX Clear Operating Rules. Generally, it means a holding of securities by a person.

Securities have the meaning in the ASX Clear Operating Rules.

Scheduled Time has the meaning given in the ASX Clear Operating Rules. The Scheduled Time varies depending on the act to which it relates.

Sub position has the meaning given in the ASX Clear Operating Rules. Generally, it means an arrangement under which activity relating to the securities may be restricted and access to the securities given to a person other than your normal sponsor.

Transfer has the meaning in the ASX Settlement Rules. Generally, it means a transfer of securities to or from a holding on CHESSE.

You or Client means the person named in this agreement as client. If there are more than one, you means each of them separately and every two or more of them jointly. You include your successors and assigns.

Withdrawal Instructions has the meaning in the ASX Clear Operating Rules. Generally, it means the instructions by a person who is sponsored on CHESSE for the withdrawal of securities from the sponsored holdings.

We or Sponsor or Baker Young means Baker Young Stockbrokers Limited ABN 92 006 690 320 and its successors and assigns.