

FINANCIAL SERVICES GUIDE

Purpose

The purpose of this Financial Services Guide (FSG) is to assist you, the investor, in deciding whether to use any of the services offered in this document. This guide contains information about the remuneration that may be paid to Pro Trader Securities Pty Ltd ('Pro Trader Securities', 'we', 'us', 'our') and/or other relevant persons in relation to the services offered. It also contains information about how complaints against Pro Trader Securities are dealt with.

Contact Details

Pro Trader Securities Pty Ltd may be contacted in writing at:

Ground floor, Brightwater House
The Garden Office Park
355 Scarborough Beach Rd
Osborne Park
WA 6017

Phone: (+61 8) 9202 3900

E-mail: info@protradersecurities.com

Website: www.protradersecurities.com

Instructions

A client may issue instructions to Pro Trader Securities by contacting them by one of the above methods.

General Advice

Any general financial product advice provided is given without any consideration of the Client's financial situation, investment objectives or needs and therefore may not suit your requirements. Therefore, the Client should consult a licensed financial advisor before making any investment decisions on the basis of general financial advice provided by us.

Statement of Advice (SoA)

If we do (as we are authorised to do), provide you with personal advice or further assistance in selecting products or services taking into account your particular needs and objectives we will, in the manner we are required to under the law, provide you with a Statement of Advice (SoA).

The SoA will outline the personal advice provided to you, including any recommendations we make including the reasons for the recommendations and information regarding fees, commissions, associations or relationships which may influence our provision of the advice.

A purpose of a SoA is to ensure that there is agreement between you and your advisor about the advice you have been given. It is important that you agree that the SoA you have been given accurately describes the advice that you received. If you don't agree you should contact Pro Trader Securities or your advisor immediately.

Complaints

If you have any problems with any aspect of the service you receive from Pro Trader Securities you may contact the "Compliance Manager" on (+61 8) 9202 3900.

If your complaint is not resolved within seven days please submit your complaint in writing to "The Managing Director" Pro Trader Securities Pty Ltd, who will endeavour to provide a speedy resolution to your complaint. If you are still not satisfied with our response you may contact the following:

Financial Ombudsman Service (FOS)
PO Box 3
Melbourne, VIC 3001
Phone 1300 780 808
Fax (03) 9613 6399
E-mail info@fos.org.au
Internet www.fos.org.au

Services

Pro Trader Securities offers the following services:

- Advising/Dealing on stock exchange listed securities
- Market and company research information
- Individually managed account discretionary service

Pro Trader Securities acts on its own behalf when providing these services. Pro Trader Securities uses E*Trade Australia to provide the clearing and settlement services to transact its trades in ASX listed securities. Pro Trader Securities and E*Trade may both receive commissions and fees from providing the above services.

Main Risks Associated with Investing in Listed Equity Securities

While we do not provide you with personal financial product advice we think you should be aware of the risks associated with investing in listed equity securities. Some of these risks include:

1. **Market risk** - this is the risk of gain or loss by movements in the stock market generally caused by economic, political or legislative factors for example, inflation and interest rates.
2. **Global risk** - this is the risk associated with international events or market factors.
3. **Sector risk** - risk associated with an industry's products or services such as the demand for a product or service, changes in consumption patterns, economic and industrial cycles, technological developments, commodity prices, lifestyle changes.
4. **Equity specific asset risk** - risks associated with the specific investment, for example, quality of the company's directors; the strength of management and key personnel; profitability and asset base; debt level and fixed-cost structure; litigation; competition levels; liquidity of the investment.
5. **Timing risk** - the risk that you could enter the market at a bad time for example just before a general market downturn.
6. **Liquidity risk** - there is a risk that you may not easily or quickly enter or exit a position at a reasonable price due to the liquidity of the security traded.

Charges and Remuneration

Pro Trader Securities may charge brokerage, commission or a fee depending on the services that are provided to the Client.

Pro Trader Securities staff remuneration may be by way of a salary, a salary and commission or a commission only structure. Client advisers may also receive additional 'bonus' payments which are linked to the amount of fees and commissions generated by them. The client has the right to request further particulars in relation to the remuneration of advisers.

An outline of Pro Trader Securities charges for brokerage and fees is provided below.

1. Brokerage

When trading shares a Commission fee will be charged and detailed on the Contract Note. Should you wish to trade with an adviser, your adviser will agree a commission with you before entering into the transaction. Usually, your adviser will agree a rate of commission with you when you first open your account so that the process of commission agreement does not need to be repeated for every subsequent transaction. Unless another commission rate is agreed our standard rates inclusive of GST are:

- Execution only trades under \$10,000 \$60.50
- Trades over \$10,000 value 0.75%
- General advisory trades under \$10,000 \$88.00 minimum
- General advisory trades over \$10,000 1.25%

The above rate for general advisory trades applies to clients who use other Pro Trader Securities services. For those clients using us for share trading services only, the minimum rate for general advisory trades is \$110. Orders may be made by phone or e-mail.

In all of the above scenarios, E*Trade Australia receives a sliding scale of payment per contract note for trades under \$60,000 from \$20 to a minimum of \$15 depending on monthly contract note volumes. For trades over \$60,000 there is a sliding scale depending on the face value of the contract note from 0.06% to a minimum of 0.03%

2. Stock Analysis and Reports

In addition to advisory services and education, a Pro Trader Securities subscriber may receive, stock market analysis and research reports.

Limitations of Research

The research undertaken by our licensed advisers is only the opinion of specialist analysts. It can never be guaranteed and it is valid for a limited time. The fact that a share is recommended as a 'buy' does not necessarily mean that it is a suitable investment for you.

Conflicts of Interest

Pro Trader Securities and its advisers may have an interest in the securities recommended to you. You have the right to be advised about any interest of these parties that may reasonably be expected to be capable of influencing a securities recommendation made to you.

3. Individually Managed Account Discretionary Service

This service for sophisticated investors only, relates to a situation where Pro Trader Securities can transact on behalf of an individual client without prior reference to or approval of that client.

On a general basis, the client authorises Pro Trader Securities to purchase, acquire, sell or dispose of securities to form part or all of the portfolios at the discretion of Pro Trader Securities. A management fee of 1.5% p.a. (plus GST) will be charged quarterly or six monthly in advance, calculated on the value of your portfolio.

You will be considered a sophisticated investor if you invest an amount of \$500,000 or more.

You will also be considered a sophisticated investor if you have:

1. net assets of at least \$2.5 million, or
2. a gross income for each of the last 2 financial years of at least \$250,000 per year.

In the case of the latter category, you must provide certification, prepared within the last two years, from a qualified accountant.

Privacy

Pro Trader Securities is committed to upholding the National Privacy Principles that form part of the Privacy Act 1988. Except within the terms of our Privacy Policy and with your permission or at your request, we will never provide any personal information you supply us to a third-party. A copy of the Privacy Policy is available on our website at www.protradersecurities.com or a hard copy will be provided upon request.

If at any time you feel your privacy has been breached by us, please contact privacy@protradersecurities.com. Your complaint will be dealt with as a matter of urgency and if the matter is not resolved to your satisfaction we direct you to the Office of the Federal Privacy Commissioner at www.privacy.gov.au who will handle your privacy complaint free of charge.

Authorisations

Pro Trader Securities has been authorised by the Australian Securities and Investments Commission (ASIC) pursuant to section 913b of the Corporations Act 2001 to carry on a financial services business to provide financial product advice (both general and personal) and deal in the following classes of financial products:

- (i) deposit and payment products limited to:
 - (A) basic deposit products;
 - (B) deposit products other than basic deposit products;
- (ii) debentures, stocks or bonds issued or proposed to be issued by a government;
- (iii) life products including:
 - (A) investment life insurance products as well as any products issued by a Registered Life Insurance Company that are backed by one or more of its statutory funds; and
 - (B) life risk insurance products as well as any products issued by a Registered Life Insurance Company that are backed by one or more of its statutory funds;
- (iv) interests in managed investment schemes including:
 - (A) investor directed portfolio services;
- (v) retirement savings accounts ("RSA") products (within the meaning of the Retirement Savings Account Act 1997);
- (vi) securities; and
- (vii) superannuation