



FINANCIAL SERVICES GUIDE

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This Financial Services Guide complies with the conditions of ASIC Class Order Relief CO 04/194 effective 11 March 2004.

Participant of ASX Group Securities and Derivatives Industry Association
Principal Member Financial Planning Association Principal Member

ABOUT THIS FINANCIAL SERVICES GUIDE

This Guide is designed to answer your preliminary questions regarding the financial services we are authorised to provide and will assist you in deciding whether to use any of the services offered in this Guide, how we will be paid in relation to the services and information on our complaints procedures.

Documents You May Receive From Us

Statement of Advice

If you choose to use our services, you may receive a Statement of Advice and/or a Product Disclosure Statement or Prospectus.

If we give you personal advice (i.e. advice which has taken your personal circumstances into account), you will, the first time we give you advice, be issued with a Statement of Advice which sets out your relevant personal circumstances that you have disclosed to us, our advice, the basis of that advice and any commissions, fees or other benefits or associations that are relevant to that advice. The Statement of Advice may be very detailed, as in the case of a financial plan, or relatively simple if, for example, we are giving you additional advice in relation to your circumstances which may amplify or amend our earlier advice. In the case of subsequent personal advice where your circumstances have not changed from those previously advised to us and the basis of advice has not changed, no further documentation will be provided. However you may request a copy of a record of the advice in writing within 90 days of that advice.

Product Disclosure Statement

If we recommend a particular financial product to you, you may also receive a Product Disclosure Statement or Prospectus prepared by the financial product issuer which will set out all the necessary information you require to assist you to make an informed decision about the financial product.

It is important that you give us accurate and complete information regarding your relevant personal circumstances such as your investment objectives, financial situation and needs, otherwise our advice may not be appropriate to all your circumstances.

What Financial Services Can We Offer You?

Our Australian Financial Services Licence (AFSL 239 052) authorises us to provide advice, and deal in, the following financial products:

1. Securities;
2. Superannuation;
3. Derivatives;
4. Interests in managed investment schemes, including investor directed portfolio services;
5. Managed discretionary account services (including issuing such products);
6. Life products, including:
 - a. investment life products; or
 - b. life risk insurance products;as well as any products issued by a registered life insurance company, that are backed by one of its statutory funds;
7. Deposit and payment products, including basic deposit products and other deposit products;
8. Debentures, stocks or bonds issued or proposed to be issued by a government; and
9. Retirement Savings Accounts ('RSA') products within the meaning of the Retirement Savings Account Act.

Who Will Give You Advice?

Our Advisers will give you advice. They are representatives of Patersons Securities Limited and we are responsible for the advice they give you. We ensure that your adviser holds the necessary qualifications and meets continuing education requirements to provide the services for which we are licensed.

From time to time, we may act as agent for another client who is the counterparty to your transaction (e.g. a purchase and sale of shares on the ASX). In rare circumstances, we may act as principal on our own account when dealing with you, in which case, we would disclose that we are doing so prior to entering into the transaction with you and adopt the procedures required in those circumstances by the Corporations Act and the ASX Market Rules.

Providing Instructions To Us

You may give us verbal instructions or written instructions by mail. However, we reserve the right not to accept instructions verbally without prior notice and in those instances, will ask you to provide an original written document to us.

If you are dealing in securities or derivatives listed on ASX, we will need you to provide appropriate identification, sign a Client Agreement with Patersons and comply with the Terms and Conditions of dealing with us.

OUR WIDE RANGE OF SERVICES

Patersons Securities Limited ('Patersons') can help you meet your financial objectives by providing a full range of financial services, including access to economic, financial and investment research from our experienced research analysts. You will benefit from sound advice, prudent investment management and personal service from our investment Advisers.

Patersons services include access to:

- Buying and Selling Shares In Australia
- Buying and Selling Shares In Global Markets – International Equities
- Online Internet Access To Your Portfolio
- Accolade Account
- Accolade Plus Account
- Derivatives (Options) Trading
- Margin Lending
- Initial Public Offerings (IPOs)
- Financial Planning
 - Investment Review Services
 - Superannuation
- Managed Funds
- Cash and Fixed Interest Products and Services

Buying and Selling Shares In Australia

Our Advisers have access to sophisticated information technology and research and are informed as changes occur. With the latest computer technology, we offer clients well executed transactions, supported by an efficient settlement service.

Buying and Selling Shares In Global Markets – International Equities

Through our arrangements with selected overseas brokers, you can buy and sell shares in the major stock markets of the world, including the United Kingdom, the United States of America, Europe, Asia and New Zealand. As the Australian Stock Exchange comprises only around 2% of all equities worldwide, trading on international markets can diversify your portfolio and provide you with additional investment opportunities.

Online Internet Access To Your Portfolio

With our online internet access service, you also have at your fingertips research-based information that you would expect from your Adviser online, 24 hours a day, seven days a week. You can check stock prices, access your portfolio and review your investment position whenever you choose.

Accolade Account

Our Accolade Account eliminates the time-consuming task of organising and compiling your portfolio records. Copies of all 'buy' and 'sell' confirmations, dividend notifications and other important documents are securely archived for easy retrieval if required, and dividends, interest and other earnings are banked into your account. We present you with quarterly reports in a consistent and comprehensive format which will assist your accountant in completing your taxation returns and assist you in measuring the performance of your portfolio. You also have the ability to view your complete portfolio via Patersons website at any time.

Accolade Plus Account

This service combines the benefits of an individually created portfolio with the convenience of a managed fund. Our highly skilled and experienced Accolade Plus Account management team helps build and manage a portfolio of stocks which meets your financial requirements, life stage, and social and ethical preferences. You then give your Adviser the discretion to manage your portfolio for you.

This service is ideal for clients who do not have the time, expertise or inclination to actively manage their portfolio on a day-to-day basis but want more personalisation and customisation than an ordinary managed fund allows them. For further information regarding Accolade Plus Accounts, please refer to the Other Important Information section on page 10.

Derivatives (Options) Trading

Exchange traded options are types of derivatives which can be used to: increase the yield on your portfolio; to protect your portfolio against a fall in the market; or to give you a leveraged entry into leading stocks. Our Derivatives Specialists will suggest suitable strategies to support your personal investment goals.

Margin Lending

A credit facility from an external margin lending provider allows investors to borrow against the security of a wide range of listed companies and managed funds. A margin lending facility allows you to negatively gear your investments, similar to gearing your property, or to borrow up to 70% against your existing portfolio of approved securities.

Initial Public Offerings (IPOs)

Patersons is a leading stockbroker in managing new issues in Australia. This presents our clients with valuable opportunities to participate in IPOs that may not be offered to the general public. You can let us know if you would like to be advised of IPOs as they become available.

Financial Planning

In today's complex and changing economic and legislative environment it is imperative to plan for the creation and preservation of wealth. Our financial planners can develop a sound financial, investment and life insurance strategy to complement your personal taxation, accounting, legal and investment needs.

We make recommendations regarding your portfolio based on your particular circumstances. When you decide to act on our advice, we then execute the recommended transactions on your behalf. If you require one of our experienced investment managers to manage your portfolio for you on a discretionary basis, we will refer you to an experienced manager who is authorised to provide that service.

Investment Review Services

Once you have your financial planning strategy in place, we can provide you with our Premier Service or Discretionary Premier Service which incorporates quarterly and annual reviews of your portfolio, as well as reports which assist you to assess your portfolio performance. Alternatively, you may elect to only participate in our Review Service in which you instruct us to perform a portfolio review at a particular point in time.

Superannuation

Appropriate superannuation is crucial to maximising your lifestyle options after you retire. We can walk you through the maze of regulatory requirements, help you decide whether self-managed (or DIY) superannuation funds, employer-sponsored funds, industry funds, public offer funds or Retirement Savings Accounts are best suited to your needs and advise on how much you should contribute. Our financial planners can help you decide what to do with your superannuation rollover or any other aspects of your superannuation needs.

Managed Funds

We can advise you on a wide range of managed funds which offer you the opportunity to obtain greater portfolio diversification than you might otherwise achieve as a retail investor.

Cash and Fixed Interest Products and Services

To optimise your cash and fixed interest investments, we can advise you on an extensive range of financial products, including cash management accounts, term deposits, bank-accepted bills of exchange and company debentures, as well as Commonwealth and Semi-Government securities, corporate debt and convertible and unsecured notes.

Transferring money between your trading account and your current account can incur bank fees and may result in delays. When you leave your funds in a Patersons Money Market or Cash Management Service account between share trades you can earn higher interest and have funds available to take advantage of trading opportunities and IPOs as soon as they arise. Depending on which account you choose, you can withdraw funds by contacting your Adviser or deposit funds via your own bank; and have dividends, term deposit interest, income or salary payments direct credited to your account ready for trading right away. There are no entry fees, exit fees or account keeping fees.

OTHER IMPORTANT INFORMATION

Accolade Plus Account

Before we can provide Accolade Plus Account services to you, we need you to enter into a Discretionary Management Agreement with us. As part of this Agreement, you will receive an Investment Program which will comply with Division 3 of Part 7.7 of the Corporations Act. It will contain:

- The nature and scope of the discretion we are authorised and required to exercise under the Discretionary Management Agreement between us;
- Information about any significant risks associated with the Agreement; and
- Why we believe that the Discretionary Management Agreement is suitable for you.

An Accolade Plus Account may not be suitable to you if you give us limited or inaccurate information about your relevant personal circumstances or may cease to be suitable if your relevant personal circumstances change significantly. As your financial needs change, your investment strategy may need to be modified. It is important for the success of the Accolade Plus Account that you communicate any major changes in your personal circumstances to your Adviser.

Generally, you may give us instructions in relation to your Accolade Plus Account by phone. However, we reserve the right to request that those instructions be received by us in writing before acting on them.

Your Adviser will review the Discretionary Management Agreement at least once every 13 months in light of your personal objectives, needs and relevant personal circumstances. A Statement of Advice will be issued to you if personal advice is given in respect of your account at that time.

Your Australian domiciled assets will be held in your name and be administered by us and therefore, the Accolade products do not include custodial or depository services.

Any assets in overseas listed securities will be held in an omnibus (client funds) account by the overseas broker's custodian in the name of Patersons Securities and we will also maintain records of your holdings.

- The management of your portfolio is tailored to your individual needs by expert professional Advisers.
- Patersons may take advantage of investment opportunities rapidly without difficulties which may arise if you are not contactable.
- The Accolade Plus service may give you the opportunity to participate in placements by ASX listed companies.
- The management fee is linked to the success of your portfolio.

Potential Risks

- The net value of your portfolio may fall as well as rise. You should make your own independent assessment of the investment merits of engaging Patersons to provide the Accolade Plus service for your portfolio.
- Part or all of the investments in the Accolade Plus Account may be invested either directly, or indirectly, in the stockmarket. By its very nature, an investment in the stockmarket entails both general market and company specific risks. While portfolio risk can be mitigated through diversification of stocks, general market related risk will still be present.
- The Accolade Plus service is a discretionary service which involves the delegation to Patersons of the ability to make investment decisions on your behalf without prior reference to you.
- The operation of the Accolade Plus service may be affected by changes in the law.

Patersons will act as your agent to exercise or not, all voting rights conferred on any of your investments in your Accolade Plus Account in such a manner as Patersons may determine as being in your interests. Further, Patersons will act as your agent over any security rights you have including, but not limited to, dividend reinvestment plans, share purchase plans, takeover offers and priority entitlements.

Costs

Depending on the service offered you might pay fees or brokerage – or a combination of both. We can design a payment structure to suit your needs. The applicable charges will be disclosed in the Statement of Advice we provide to you, or if no such record is required, we will verbally disclose the applicable charges.

Brokerage

Brokerage is charged as a percentage of the total consideration when buying or selling shares or derivatives. The brokerage rates are largely dependent on the type and level of service required, and the size and the frequency of transactions.

Your Adviser will negotiate your rate with you, taking these into account. However, as an indication, other than for those clients who elect to use the Fee Only options for Accolade and Accolade Plus Account Services or Premier Service, our standard scale brokerage rates are 2.5% of the total consideration on trades up to \$5000, then 2% on the next \$10,000, then 1.5% on the next \$35,000 and 1% on amounts thereafter, subject to a minimum of \$80.00. GST is also applicable on brokerage. For example, shares purchased at a cost of \$4,000 would incur brokerage of \$110 (i.e. $(\$4,000 \times 2.5\%) + 10\% \text{GST} = \110). The costs or the manner in which they will be calculated will be disclosed at the time personal advice is given to you or as soon as practicable thereafter.

If you open an account for exchange traded options, generally you will be charged brokerage at the same percentage mentioned above of the premium value, subject to a minimum of \$80 plus GST. For example, an options transaction with a premium value of \$6,000 would incur brokerage of \$132 (i.e. $(\$6,000 \times 2\%) + 10\% \text{GST} = \132). Please also refer to the Product Disclosure Statement for Derivatives for details of applicable ASX charges.

When you purchase or sell shares which are listed on an overseas exchange, we must execute those transactions through a broker who is registered or licensed in that market. Both Patersons and the overseas broker charge fees for executing a transaction on a foreign market. We will execute the transaction for you at your applicable brokerage rate outlined above but, due to the additional work involved in executing these transactions, the minimum brokerage charge is \$100.00 plus GST (i.e. $\$100 + 10\% = \110). We use our best endeavours to negotiate a cost effective brokerage rate from the overseas brokers with whom we deal. The brokerage and fees of the overseas broker will vary depending on the market in which the transaction is executed and the overseas broker. In addition, the overseas broker may charge a fee and or a margin to convert the settlement amount into Australian dollars.

An example of a transaction executed in London and converted into Australian dollars is set out below:

	AUD
Value of shares	50,000
Fee charged by overseas broker (0.3% min £50)	150
Fee charged by Patersons ($\$50,150 \times 1\%$)	501
GST	50
Total cost	50,701

The fees applicable for each transaction will be disclosed to you prior to you executing the transaction. GST is also applicable to all Australian fees and charges and government taxes may apply in other markets. We will also give you a contract note from us on which the stated total consideration includes all the fees and charges of the overseas broker,

and which separately discloses Patersons brokerage and the applicable GST, to arrive at a net settlement amount which we will pay to you or you will pay to us, as applicable. All associated transaction charges (eg PTM Levy) charged by the home exchange will be directly invoiced via your contract note.

Accolade Account

The cost of the Accolade Account will be agreed between you and your Adviser, depending on their assessment of the complexity of the portfolio e.g. number of different securities held, subject to a minimum of \$2,200 plus GST. The cost includes a tiered rate plus brokerage on each transaction to buy or sell listed financial products. The brokerage rate will be agreed between you and your Adviser on the basis described on page 12. The tiered rate based on the value of the funds under management is set out below:

Portfolio value	Rate excl GST	Rate incl GST
Up to \$499,999	1.20%	1.32%
\$500,000 to \$999,999 plus brokerage costs	0.90%	0.99%
\$1,000,000 to \$4,999,999 (if applicable)	0.70%	0.77%
\$5,000,000 or more	0.40%	0.44%

For example, a portfolio of \$600,000, would be charged \$7,590 (i.e. $(\$500,000 \times 1.20\%) + (\$100,000 \times 0.90\%) + 10\% \text{GST} = \$7,590$ plus brokerage costs)

Accolade Plus Account

The cost of the Accolade Plus Account will be agreed between you and your Adviser, depending on their assessment of the complexity of the portfolio e.g. number of different securities held, subject to a minimum of \$3,000 plus GST. The cost includes a tiered rate plus brokerage on each transaction to buy or sell listed financial products. The brokerage rate will be agreed between you and your Adviser on the basis described on page 12. The tiered rate based on the value of the funds under management is set out below:

Portfolio value	Rate excl GST	Rate incl GST
Up to \$499,999	1.75%	1.92%
\$500,000 to \$999,999	1.20%	1.32%
\$1,000,000 to \$4,999,999	0.90%	0.99%
\$5,000,000 or more	0.50%	0.55%

For example, a portfolio of \$600,000, would be charged \$10,945 (i.e. $(\$500,000 \times 1.75\%) + (\$100,000 \times 1.20\%) + 10\% \text{GST} = \$10,945$ plus brokerage costs)

Accolade and Accolade Plus Fee Only Options

If you prefer a simpler fee structure, you can elect to use the Fee Only Options for Accolade or Accolade Plus and pay no brokerage on transactions. Your Adviser will agree a rate with you of up to 2.75% p.a. (including GST) of the value of the funds under management subject to a minimum of \$2420 including GST for Accolade and \$3300 including GST for Accolade Plus. The fee will be determined by reference to factors such as the size of the portfolio, number of holdings and anticipated number of transactions.

Financial Plans

There is a charge for the preparation of a Statement of Advice which incorporates a Financial Plan. The cost varies from \$1,000 – \$2,500 plus GST, depending on your adviser's assessment of the complexity of the particular circumstances of each client (i.e. \$1,100 – \$2,750). However, the cost will be disclosed to you prior to the preparation of the Statement of Advice and before you are under any obligation to pay for this financial service.

Patersons Premier Financial Planning Service

The Patersons Premier Financial Planning Service will generally involve the preparation of a financial plan, the cost of which is set out above.

The annual fee for the Premier Service is 1.2% per annum of the value of your investment capital up to \$1million, subject to a minimum of \$2,000, plus GST. An additional fee is payable in the first year of 1.5% calculated on the value of the investment capital, plus GST, to reflect the additional management required in the first year. The additional fee is payable even if you terminate the agreement within the first year.

For portfolios greater than \$1million, the following fees apply (plus GST).

	Year 1 Additional Fee	Annual Fee	Year 1 Additional Fee incl GST	Annual Fee incl GST
\$1 million to \$2,999,999	1.0%	0.9%	1.1%	0.99%
\$3 million to \$4,999,999	0.8%	0.7%	0.88%	0.77%
Above \$5 million	Negotiable*	Negotiable*		

**Depending on the Adviser's assessment to the complexity of the investment portfolio.*

For example, on a portfolio value of \$100,000, the fees would be as follows:

	Year 1	Annual Fee After Year 1
Financial plan	1,100	–
Annual fee – recurring (assuming no portfolio value increase)	2,200	2,200

Additional fee – Year 1 only (($\$100,000 \times 1.5\%$) + 10%GST)	1,650	–
Total annual fee (including GST)	\$4,950	\$2,200

In some circumstances, the annual fee and the additional fee may be tax deductible.

For Premier Service clients, listed investments will be purchased or sold at a discounted brokerage rate of 0.50% of the total value of each transaction, subject to a minimum fee of \$80 plus GST, unless otherwise agreed. In addition, where we are entitled to receive a commission in relation to the placement of any unlisted investment or insurance investment, such commission may be reinvested in additional investments or if this option is not available we may rebate this amount to you, except for trailing commissions from cash management trusts or the Patersons Money Market Account.

Financial Product Specific Advice

If you would like to review specific aspects of your financial situation such as superannuation arrangements or insurance cover, we can prepare advice for you which is specifically tailored to, in the case of superannuation, the structure and level of contributions required to help you achieve your retirement income goals. The fee for the preparation of a Statement of Advice will be charged based on the complexity of your circumstances and the time required to formulate the advice. The fees charged would be a minimum of \$550 including GST and will be agreed between you and your Adviser before you receive the service.

IDPS or Wrap Facilities

In some circumstances, we may recommend that you establish an account with a wrap facility operated by an IDPS Operator. This is a facility to lodge and keep records of your managed fund investments, as well as allowing you access to lodge investments in certain ‘wholesale’ funds which are not always available to retail investors.

If you invest in managed funds through a wrap facility you may be charged establishment fees, ongoing administration fees and service fees such as investment switching fees. For example, typically you may pay up to 1%pa in administration fees, subject to minimum fees, as well as buy, sell and switching costs of up to \$30 per transaction. The applicable fees and costs will be disclosed to you in the IDPS Guide for the relevant wrap facility and in a Statement of Advice if we recommend the product to you, or where a Statement of Advice is not required, at the time the recommendation is made to you.

Review Service

The fee for each Review is 0.8% of the value of your portfolio, subject to a minimum of \$2,000, plus GST. For example, on a portfolio of \$100,000, the fee would be \$2,000 plus GST (i.e. \$2,200). Any transactions arising from any alterations we recommend to

your portfolio would be executed at your applicable brokerage rate or any managed fund investments would be lodged with applicable fees disclosed to you in the Product Disclosure Statement and the Statement of Advice issued for the Review.

Other Fees

The fees set out in the following table are not included in our standard services outlined above. If these fees are applicable to your circumstances, you will be advised prior to the service being performed by us and applicable fees will be disclosed in the Statement of Advice, where applicable.

	Fee
Derivatives administration – annual reporting fee	\$250
Off market transfers	\$50 per transfer
Investment histories and CHESS conversions	\$50 per stock
Centrelink dealings	\$50 per person
• Application and reviews	(nil for Premier service clients)
• Ongoing negotiations	\$180 per hour
Specialist work	\$180 per hour

GST is applicable to all of the above charges.

Remuneration, Commission and Other Relationships

Patersons Remuneration

We may receive commission from fund management groups, margin lenders and product issuers when we place investments on your behalf. The exact amount may vary from 0% to 10% depending on the product, but usually this upfront commission may be approxAccolade Plustely 5% of the amount you invest.

Some product issuers also have ongoing fees or trailing commissions which are payable to us by the product issuer as long as you hold that product. Where applicable and where permitted by the financial product issuer, we may in some circumstances rebate any such fees back to you, usually in the form of additional units, with the exception of trailing commissions from cash management trusts or the BankWest Money Market Account. The financial product issuers of cash management trusts and Money Market Accounts generally pay a commission of 0.25% to 0.275% per annum of the funds invested. All interest rates quoted by cash management trusts and money market accounts are net of any commissions paid to Patersons.

If your application for securities in a new issue, IPO or float is stamped by us and is successful, we may receive a lodgement fee from the product issuer. All fees associated with an issue will be disclosed in the Product Disclosure Statement or Prospectus. These fees may vary, but typically range from 3% to 6% of the amount raised. If we act as underwriter or sub-underwriter or facilitate a placement, we may

receive fees for acting in that capacity. These fees typically range from 3% to 6% of the amount raised.

A life insurance company may pay us initial and ongoing commissions when we arrange life risk insurance or investment life insurance products through that company. As the commission payable may vary with each insurer, your Adviser will give you details about any commissions receivable by us when advising you about such products.

Any applicable remuneration or commissions will be disclosed in the Statement of Advice or, where a Statement of Advice is not required, at the time that the personal advice is given or as soon as practicable thereafter.

All monies that we hold on your behalf from time to time are deposited into our trust account. We will retain interest paid on that account.

Your Adviser's Remuneration

Your Adviser will receive between 45% and 55% of the brokerage or commissions placed by Patersons on your behalf and may be entitled to receive bonuses on achieving specified revenue targets. If earned, this bonus may consist of non-monetary benefits such as SDIA membership and Qantas Club membership, as well as a cash payment. Where your adviser representative would become entitled to a bonus as a result of services provided to you, that payment (including any non-monetary benefit) will be disclosed verbally or in a Statement of Advice. For example, for an investment of \$10,000 in a product whose manager pays 5% upfront commission including GST and trailing commission of 0.25%pa including GST, Patersons would receive a one off commission of \$500 and \$25 per annum as long as you held that product and the Adviser would personally receive between \$225 and \$275 and \$11.25 and 13.75 per annum of the amount received by Patersons.

Some Executive Directors are remunerated by salaries and others by a combination of commissions and/or fees as set out above plus directors fees. In addition, all Executive Directors may become entitled to bonuses and/or dividends depending on the profitability of Patersons.

Referral Arrangements

Where you have been referred to us by a third party such as an accountant, financial planner or other professional, we may pay a referral fee to them consisting of a proportion of the fees earned by us in relation to your dealings with Patersons. The fee paid in respect of the referral depends on the particular circumstances of the arrangement with the third party and may be up to 30% of our charges. Please refer to the Financial Services Guide or Statement of Advice of the third party for more detailed information on any applicable payments. Any such fee is paid out of the fees received by Patersons and is not an additional charge.

Associations

Patersons has an agreement with Macquarie Investment Management Limited to badge the Macquarie Cash Management Trust as the

Patersons Cash Management Service, for which Patersons is entitled to receive the standard trailing commission of 0.275% per annum of funds invested. If the funds invested by Patersons on behalf of its clients exceed \$50million, Patersons is entitled to a marketing support fee of 0.05% (inclusive of GST) on the total average monthly balance. In some circumstances, Macquarie may also contribute to the cost of the production and artwork of the Product Disclosure Statement applicable to the product.

Your Risk Profile and Investment Objectives

When you ask us to provide you with personal advice, it is important that we understand your risk profile and investment objectives so we can advise you appropriately. As a guide, we have nominated three broad risk profiles that may be used when you are considering investing in shares, together with other information about your relevant personal circumstances, to determine the appropriate advice that meets your needs.

These profiles are as follows:

- **Conservative** – An investor constructing a longer term, diversified portfolio with an objective of achieving a satisfactory long term rate of return comprised of both income and capital growth, but accepting some volatility of returns. Specifically excludes aggressive investments and short term market plays.
- **Balanced/Moderate** – An investor broadly encompassing the strategies of a conservative investor and including selected market trading opportunities from time to time. A higher risk strategy is taken compared to a conservative investor but not as high risk strategy as an aggressive investor.
- **Aggressive** – An investor who adopts a high risk/high return philosophy to investment, accepting the possibility of high losses and is not concerned about balance in the portfolio.

If we are preparing a financial plan for you, we will discuss your risk profile and attitude towards volatility in more detail.

For more information about the potential risks and rewards of investing and your own investment objectives, please speak to your Adviser.

The Use of Research Reports

At Patersons we are proud of the depth of research we can offer. However, even the very best research does not guarantee the securities will perform according to the assessment of the analyst. The results of any research are the opinions of specialist analysts. These opinions can never be guaranteed, are only valid for a limited time, and are often subject to market movements.

Our research reports do not take into account your investment objectives, financial situation or needs and should be regarded as general advice only. You should always consult your Adviser before

acting on any research report so your particular circumstances may be taken into account. For example, for short term investors, a research report containing a 'buy' classification could turn into a 'sell' classification where the market price of a security appreciates by even a small amount. However, for the prospective longer term investor, this market movement may not be significant, although a larger movement might be. The mere fact that a security is categorised by an analyst as a 'buy' does not necessarily mean that the security is a suitable investment for you personally.

Taxation Issues

Tax obligations can be very complex and have a profound impact on investment or trading strategies and returns. As we are not registered tax agents, we may only provide perspectives on tax issues in general terms. You should have access to an accountant or tax adviser to examine the tax issues that relate to your particular circumstances.

Privacy Policy

The privacy of your personal information is important to us. In general, we collect your personal information to administer our customer relationships and to ensure that we are able to provide you with the products and services most appropriate to your needs.

Our Privacy Policy which explains how we handle your personal information is available at our website at www.psl.com.au or upon request from your Adviser.

Insurance Arrangements

Patersons has adequate professional indemnity insurance arrangements to cover us for the services we provide, including cover for the work done at Patersons by representatives who have since ceased working for us.

If You Have a Concern, Please Tell Us

We want to hear all your comments, whether they are favourable or not, because it is important to us to address any concerns you may have and continually improve our products and services. Please use the following process:

1. Write to the Compliance Manager, Patersons Securities Limited, GPO Box W2024, Perth, Western Australia 6846.
2. If you are dissatisfied with our response, you may write to the Financial Ombudsman Service at GPO Box 3, Melbourne, Victoria 3001 or contact them on 1300 780 808.
3. The Australian Securities and Investments Commission also has a free call infoline on 1300 300 630 which you may use to make a complaint or obtain information about your rights.
4. If you are still not satisfied with the outcome, you may wish to take independent legal advice to consider your further options.



Western Australia

Perth Office
Level 23, Exchange Plaza,
2 The Esplanade,
Perth, WA 6000
T: (+61 8) 9263 1111
F: (+61 8) 9325 6452
E: patersons@psl.com.au

West Perth Office
T: (+61 8) 9482 0900

Albany Office
T: (+61 8) 9842 4700

Bunbury Office
T: (+61 8) 9707 2000

Busselton Office
T: (+61 8) 9754 0700

Kalgoorlie Office
T: (+61 8) 9021 1422

Geraldton Office
T: (+61 8) 9964 3800

Victoria

Melbourne Office
T: (+61 3) 9242 4000

Mt Waverley Office
T: (+61 3) 9831 5000

New South Wales

Sydney Office
T: (+61 2) 8238 6222

Lismore Office
T: (+61 2) 6623 3300

Queensland

Brisbane Office
T: (+61 7) 3737 8000

Gold Coast Office
T: (+61 7) 5631 2300

Cairns Office
T: (+61 7) 4046 0200

Gladstone Office
T: (+61 7) 4973 1000

Sunshine Coast Office
T: (+61 7) 5409 6100

South Australia

Adelaide Office
T: (+61 8) 8407 5700

Australian Capital Territory

Canberra Office
T: (+61 2) 6120 2222

www.psl.com.au

Patersons Securities Limited

ABN 69 008 896 311

AFSL No. 239 052

Participant of ASX Group; Securities
& Derivatives Industry Association
Principal Member; Financial Planning
Association Principal Member

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