

1. Agreement dated / /

BETWEEN (*broker*)

Patersons Securities Limited, Level 23, Exchange Plaza, 2 The Esplanade, Perth Western Australia 6000

AND (*client*)

2. Applicant 1

Applicant 2

Applicant 3

3. Address Details Please note that all related information will be sent to this address.

State/Country Postcode

AGREEMENT TERMS AND CONDITIONS

- a) The signing and return of this Short Selling Agreement to Patersons Securities Limited's Head Office by 10:00am the day following the execution of the initial short sale, forms part of the Agreement Terms and Conditions.
Should the signed Agreement not be received by the said time, the short position will be closed out immediately and all associated costs/fees debited to your short selling account, payable immediately.
- b) The short selling of a security is only available on ASX approved securities and only on those approved securities that Patersons Securities Limited are able to borrow through their securities lending provider at the time.
- c) Short sales must not be made in approved securities during the offer period of a takeover bid or scheme in respect of those securities.
- d) The trade will be executed on a new account specifically designated for short selling.
- e) A 30% initial margin on cover is payable prior to the execution of the short sale.

This can be paid by cheque, B-Pay or credited to the following account:

Bank:	Challenge Bank, 109 St Georges Terrace, Perth
BSB:	036-000
Account No.:	224 228
Account Name:	Patersons Securities Limited - Trust No.2 A/C

- f) This margin will be held in trust against the short selling account and no interest will be earned on these funds.
- g) Securities are not accepted as a form of margin.
- i) Should the market price of the shorted security rise in excess of 10% of the contract price, an additional margin of cover equal to the amount of the increase is required within 24 hours of the call.
Patersons Securities Limited will monitor the margin cover on a daily basis, however, it is the client's responsibility to ensure sufficient margin cover is maintained at all times.
- j) Any additional margin will also be held in trust against the short selling account and no interest will be earned on those funds.
- l) The following fees will be charged to the short selling account in respect to each open short position:

First settlement day (T+3)	\$75.00 + GST
Weekly thereafter	\$50.00 + GST

All fees will cease following settlement of the closed out position.

OFFICE USE ONLY

HIN

A/C Number

RISK DISCLOSURE STATEMENT – SHORT SELLING

Before executing a short sale, you need to be aware of the risks involved. The following paragraphs are important and should be carefully read.

This statement is not an exhaustive list of all the risks associated with short selling shares. You must seek your own professional legal, financial and taxation advice on the implications of short selling shares given your own circumstances.

Selling stocks short is inherently speculative and exposes you to unlimited risk. If you buy shares, the share price cannot fall below zero, which acts as a limit on your losses, but, if you short sell shares, the share price can increase without limit, resulting in a possibility of unlimited losses.

An investor who short sells will make a loss if the relevant share price increases while the short position is in place. As share prices can potentially increase quickly, significantly and for long periods of time, large losses on short positions can occur.

The delisting, withdrawal of trading status or suspension of borrowed securities may require you to make cash or alternative securities available to Patersons Securities Limited where it is impossible to return securities to our securities lending provider in the original class borrowed. A stock that is suspended may recommence trading at a higher price than that at which it was suspended, and at a price above any stop-loss order you may have given to your Adviser.

Patersons Securities Limited can ask you to close out your short position at any time on demand, for any reason. Accordingly, you may be required to close your short position on demand which may cause you to crystallise losses.

You must compensate Patersons Securities Limited for the benefit of any corporate actions (eg, dividends including attached franking credits, rights/bonus issues, etc) which arise while you have a short position. This means you may be required to make a cash payment to Patersons Securities Limited or repay more shares than you initially borrowed and your account will be debited accordingly.

SIGNATURE(S)

4. Signatures required I/We agree to the Terms and Conditions and have read the Risk Disclosure Statement, detailed above, in respect to the short selling of securities.

Applicant 1 – Signature

Date

Applicant 2 – Signature

Date

Applicant 3 – Signature

Date