
DISCLOSURE STATEMENT
to clients of CCZ Statton Equities Pty Limited (the "Broker")

TERMS OF YOUR AGREEMENT WITH
BERNDALE SECURITIES LIMITED ABN 63 006 687 467 AFSL No. 235149 (BERNDALE)

1. Your agreement with Berndale

Berndale is admitted as a Clearing Participant in accordance with the Clearing Rules of Australian Clearing House Limited ABN 48 001 314 503 (ACH), a wholly owned subsidiary of Australian Stock Exchange Limited ABN 98 008 624 691 (ASX).

Whenever you effect a Market Transaction through the Broker, Berndale carries the obligations ("**Settlement Obligations**") to complete the sale or purchase, together with all obligations which are ancillary to the completion. Berndale must settle such Market Transactions as principal with ACH or the relevant counterparty, even though the Market Transaction was entered into on your behalf. Accordingly, your settlement obligations under the sale or purchase contract are owed directly to Berndale.

If you fail to pay the amounts due in respect of a Market Transaction or you fail to complete a contract in accordance with the ACH Clearing Rules, Berndale has direct rights against you, including rights of sale under the ACH Clearing Rules and those set out below.

Once the Broker as your agent has received an Order to purchase or sell financial products by means of a Market Transaction, an agreement is immediately deemed to come into existence between you and Berndale on the terms and conditions set out below. By placing an Order with the Broker you accept the following terms and conditions.

2. Conduct of Business

You acknowledge and agree:

- (a) to comply with these terms and conditions and all applicable legislation and the ASX Market Rules, ACH Clearing Rules and ASTC Settlement Rules and the directions, decisions and requirements of ASX and the customs and usages of the Market. Copies of the ASX Market Rules, ACH Clearing Rules and the ASTC Settlement Rules can be inspected at the Broker's offices on request;
- (b) all Market Transactions are subject to the terms and conditions on the reverse of the confirmation issued by Berndale on behalf of the Broker (the **Confirmation**) (if any) and set out below, and to the ASX Market Rules, the ACH Clearing Rules, the directions, decisions and requirements of ASX and the customs and usages of the Market, and if the sale or purchase is in relation to CS Approved Products, the ASTC Settlement Rules.

3. Settlement Date and Time

The "Settlement Date and Time" for sales or purchases is the date and time specified on the front of the relevant Confirmation, or if no date and time are specified, is determined in accordance with the ACH Clearing Rules.

The Broker has no authority to extend the Settlement Date and Time.

You represent and warrant that before placing any Order with the Broker, you will be in a position to pay for any financial products purchased and have a presently exercisable and unconditional right to vest any financial products sold in the buyer, to enable settlement at the Settlement Date and Time.

4. Purchases

Payment in full must be received by Berndale (rather than the Broker) prior to the Settlement Date and Time. Payment in cash is not acceptable.

Pending settlement by you, in accordance with the provisions of the Corporations Act 2001 (Cth) ("**Corporations Act**"), and the regulations made under the Corporations Act, the relevant Confirmation constitutes notice to you that Berndale may deposit the financial products described in the Confirmation as security for a loan if Berndale has received and paid for such financial products on your behalf.

5. Settlement using BPAY facility

Please call your participating financial institution to make payment from your cheque or savings account by BPAY. Please quote the Biller Code and your BPAY reference number (refer front page of the relevant Confirmation). If you have previously nominated another method for payment, Berndale will continue to act in accordance with those payment instructions.

6. Sales

All documents and security holder information (including the holder identification number or personal identification number and, if applicable, holder reference number) ("**Security Holder Information**") must be received by Berndale (rather than the Broker) in deliverable form **two business days** prior to the Settlement Date and Time.

All documentation and Security Holder Information must be sent to:

Berndale Securities Limited
PO Box 18022
Collins Street East
Melbourne Vic 3000

Credits in respect of sales are not available until the latest of:

- (a) the Settlement Date and Time;
- (b) when all documents and Security Holder Information have been received by Berndale in deliverable form; and
- (c) all amounts due and payable by you to Berndale or the Broker have been paid.

Sale proceeds will be paid directly to you unless Berndale has agreed alternative arrangements with you.

7. Failure to Settle

If you fail to make payment or deliver any documents or Security Holder Information to Berndale in accordance with the relevant Confirmation ("**fail to settle**"), Berndale may, in addition to any rights conferred by the ASX Market Rules and the ACH Clearing Rules, do any one or more of the following:

- charge an administration fee calculated by reference to the additional cost which may be incurred by Berndale or the Broker as a result of your failure to settle;
- levy a default charge on the amount from time to time outstanding at a rate of up to 15.0% per annum;
- sell out any financial products purchased (and you are fully responsible for any loss in connection with such sale) and apply the proceeds in reduction of your liability to Berndale and to recover Berndale's costs in so acting;

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- sell out any financial products otherwise held on your behalf (and you are fully responsible for any loss in connection with such sale) and apply the proceeds in reduction of your liability to Berndale and to recover Berndale's costs in so acting;
 - apply any cash held by Berndale or the Broker on your account or to which they have access, or payments received for or from you in reduction of your liability to Berndale;
 - instruct the Broker to cancel any of your unexecuted Orders,

and you authorise Berndale and each of its directors and employees as your attorney to give instructions on your behalf in respect of your financial products holdings sponsored by Berndale or the Broker in CHESSE, or held by their related bodies corporate in nominee holdings, and in respect of call deposit facilities or cash management trust accounts on which they are authorised to give instructions, to enable Berndale to realise those financial products or funds and apply the proceeds in reduction of your liability to Berndale and to recover Berndale's costs in so acting.

You must pay or reimburse Berndale any such administration fees and default charges (together with any GST payable on those amounts) immediately upon demand or at Berndale's option it may deduct such administration fees and default charges (and any GST) from any sale proceeds or other amounts otherwise payable to you.

8. Cancellations

You authorise Berndale to, and agree that Berndale may, without your consent, cancel or amend (or request or agree to the cancellation or amendment of) any Market Transactions or Crossings relating to the sale or purchase (as the case may be) of some or all of the financial products to which a Confirmation relates:

- (a) if ASX exercises its power under the ASX Market Rules to cancel or amend (or require the cancellation or amendment of) the Market Transaction or Crossing; or
- (b) in the event of an Error or otherwise in the circumstances contemplated in the ASX Market Rules.

Your obligations referred to in clauses 4 and 6 of this Disclosure Statement, and Berndale's obligations in relation to the settlement of a Market Transaction, cease to apply in respect of a cancelled transaction from the time it is cancelled.

9. Indemnity

In addition to the above, if, as a result of failure by you to settle or other breach by you of these terms and conditions or other agreement with Berndale, Berndale or the Broker suffers any claim, liability, direct or consequential loss or incur any cost, charge or expense of any nature, you must on demand fully indemnify Berndale and the Broker and keep Berndale and the Broker fully indemnified in respect of such claim, liability, loss, cost, charge or expense.

10. Amounts Owing

If you have not paid any debt to Berndale, Berndale may assign that debt to the Broker and the assigned debt will become an obligation of yours to the Broker.

11. Information

You warrant that all information provided by you to the Broker or Berndale is, or will be when given, accurate, true and correct and further agree to immediately notify Berndale in writing upon becoming aware that such information is no longer accurate, true and correct. You agree that Berndale and the Broker may share such information, as well as your account details and information regarding your transactions in financial products with each other and with Berndale's related bodies corporate on a confidential basis as Berndale considers appropriate. You also consent to Berndale and/or the Broker disclosing this information and your account details to any regulatory authority, and consent to Berndale and/or the Broker using such information and your account details for the

purposes of monitoring compliance by you, the Broker and/or Berndale with their respective regulatory and contractual obligations, and resolving disputes.

12. Short sales

A "short sale" is defined in the ASX Market Rules and is when financial products are sold on your behalf, or you place an Order with the Broker to sell financial products, at a time when you do not own the financial products and have them available to sell, or otherwise have a presently exercisable and unconditional right to vest the financial products in a buyer.

You may not give the Broker instructions to effect a short sale.

13. Right to accept and refuse Orders

- (a) You acknowledge that Berndale may at any time in its absolute discretion direct the Broker to:
- refuse to accept you as a client or not to accept Orders from, or execute Orders for you; or
 - refuse to accept a particular Order from you.
- (b) You acknowledge that, unless you have authorised Berndale to accept and act without any inquiry upon instructions provided (including Orders placed) by fax or e-mail which appear to Berndale to have been given by or for you, and have indemnified Berndale in respect of any losses or expenses that Berndale may suffer or incur as a result of so acting, Berndale will refuse to accept instructions it receives by fax or e-mail in respect of you.

14. Credit references

You agree that Berndale may make such enquiries as it thinks fit of any person, including your employer, your bank or a credit agency relating to your creditworthiness.

15. Complaints

You have a right to complain about any aspect of your dealings with Berndale, and to have that complaint dealt with in accordance with Berndale's complaint resolution procedures. A summary of those procedures is set out below.

However, if your complaint relates to services provided by the Broker, your complaint should be dealt with in accordance with the Broker's complaint resolution procedures. If you have such a complaint please contact the Broker.

You have the right to have any complaint about the service you have received from Berndale, or any other aspects of your dealings with Berndale, investigated and dealt with as quickly as possible in accordance with Berndale's complaints resolution procedure.

To assist Berndale to respond appropriately to complaints, you are asked to set out complaints in writing, addressed to the Compliance Manager. You should include as much detail about the circumstances of your complaint as possible, including the name(s) of any Berndale staff involved. If available, copies of any background documentation should also be provided.

Following receipt of your complaint, the Compliance Manager will acknowledge receipt of it in writing and provide an estimate of the time it will take to investigate the circumstances. The Compliance Manager will fully investigate your complaint and follow up if further information is required from you. The Compliance Manager will then prepare a detailed written response to you after consideration of all relevant documents and following interviews with the involved employees and their manager(s), if required. The written response will be mailed or delivered to you.

As Berndale is a member of the Financial Industry Complaints Services (**FICS**), Berndale will advise you if you continue to have a complaint that you have the option to pursue your complaint with FICS. If you are not satisfied with the response to your complaint, you may wish to pursue the matter with the Australian Stock Exchange Limited. The Australian Securities and Investments Commission also has a freecall Infoline on 1300 300 630 which you may use to make a complaint and obtain information about your rights.

16. National Guarantee Fund ("NGF")

As Berndale is a Participant of the ASX Group, you may make a claim on the NGF in the circumstances specified under Part 7.5 of the Corporations Act and the Corporations Regulations 2001. (For more information on the circumstances in which you may make a claim on the NGF or for information on the NGF generally, contact the Securities Exchanges Guarantee Corporation Limited ABN 19 008 626 793.)

17. Sponsorship

The terms and conditions which apply to you depend on whether the Broker is an Account Participant. If you have any doubt about this, please contact the Broker.

IF THE BROKER IS NOT AN ACCOUNT PARTICIPANT:

If you are currently sponsored by the Broker

If you have entered into a Sponsorship Agreement with the Broker, the terms of your Sponsorship Agreement with the Broker will be novated to Berndale unless you object to this novation by the date which is two weeks from your receipt of this Disclosure Statement (the "**Effective Date**").

If you do not object to this novation prior to the Effective Date, the novation is deemed to have taken effect on the Effective Date by virtue of Rule 7.1.10 of the ASTC Settlement Rules. Berndale will then replace the Broker under the Sponsorship Agreement and is bound by the Sponsorship Agreement as if it had originally been a party to the Sponsorship Agreement. Following the novation the Broker's liability with respect to the Sponsorship Agreement is discharged.

To object to the novation you must prior to the Effective Date request the Broker to remove your Sponsored Holdings either:

- (a) from the CHES Subregister; or
- (b) from the control of the Broker to the control of another CHES Participant with whom you have entered into a valid Sponsorship Agreement.

In addition, the terms of your novated Sponsorship Agreement with Berndale will be amended with effect from the Effective Date to require that:

- (a) you must, in respect of each Holder Record (which exists or is to be created) for you, ensure that Berndale is advised of the Registration Details (including any applicable Residency Indicator);
- (b) you must ensure that the information referred to in paragraph (a) above is provided to Berndale:
 - (i) as soon as possible after you place an Order with the Broker (including an Order relating to FOR Financial Products) but in any event, not later than 2 Business Days prior to the scheduled settlement date of the relevant Market Transaction; and
 - (ii) if your Registration Details have changed, as soon as possible after that time;
- (c) if you do not ensure that Berndale is advised of a Residency Indicator but Berndale has been provided with a street address, then Berndale will be taken to have been advised that, if the relevant street is:

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- (i) a street located in Australia, a Residency Indicator of "D" (for domestic) applies with respect to that Holder Record; or
- (ii) a street located outside Australia, a Residency Indicator of "F" (for foreign) applies with respect to that Holder Record; and
- (d) if Berndale suffers any claim, liability, direct or consequential loss (including to ASTC or an Issuer) or incurs any cost, charge or expense of any nature as a result of you providing (or procuring the provision) or being taken to provide inaccurate Registration Details, or failing to provide (or procure the provision of) accurate Registration Details, you must on demand fully indemnify Berndale and keep Berndale fully indemnified in respect of such claim, liability, loss, cost, charge or expense.

If you are not currently sponsored by the Broker or Berndale

Berndale recommends that you enter into a Sponsorship Agreement with Berndale to enable easy transfer of your financial products under CHESS (Clearing House Electronic Subregister System).

IF THE BROKER IS AN ACCOUNT PARTICIPANT:

If you have previously entered into a Sponsorship Agreement with the Broker, you should note that the following additional terms now apply under that Sponsorship Agreement:

- (a) The Broker is a party to a Clearing Agreement with Berndale, a clearing participant of ACH. Berndale is obliged to settle as principal and has the Settlement Obligations for all Market Transactions of the Broker (including yours).
- (b) Berndale will now administer your Sponsored Holdings on behalf of the Broker but the Broker remains responsible to you for any actions or matters done or omitted to be done in respect of your Sponsored Holdings.
- (c) Subject to paragraphs (d) and (e) below, the Broker will initiate any Transfer, Conversion or other action necessary to give effect to Withdraw Instructions within the Scheduled Time.
- (d) If Berndale demands that you pay for financial products but the contract for the purchase of those financial products, entered into on your behalf by the Broker, remains unpaid, the Broker may sell those financial products at your risk and expense (including any brokerage and stamp duty) and account to Berndale for the proceeds of the sale.
- (e) If you have not paid an amount to Berndale lawfully owed to Berndale, the Broker may refuse to comply with your Withdrawal Instructions (but only to the extent necessary to retain in your holding sponsored under your Sponsorship Agreement with the Broker financial products with a value equal to 120% of the current market value of the amount claimed).
- (f) You must advise the Broker if:
- your details change;
 - you wish to change your Controlling Participant under CHESS;
 - you become bankrupt;
 - you wish to issue Withdrawal Instructions in relation to your sponsored holdings;
 - you wish to create Sub-positions over your sponsored financial products;
 - you wish to terminate your Sponsorship Agreement with the Broker; and
 - you wish to lodge financial products as cover with ACH for written positions in the market for exchange traded options operated by ASX,

and you must arrange for the Broker to be notified in the event of your death.

If you do not object to these additional terms within 2 weeks of receiving this notice, these additional terms will apply to the Sponsorship Agreement between you and the Broker.

18. Amendment

These terms and conditions may be amended from time to time. Berndale will give you 10 days notice of any amendment, after which time, the amendment will become effective.

19. Governing law

These terms and conditions are governed by the law in force in Victoria and you and Berndale submit to the non-exclusive jurisdiction of the courts of Victoria and courts which may hear appeals from those courts.

20. Interpretation

ACH Clearing Rules means the Clearing Rules of ACH as amended from time to time.

Account Participant has the meaning given in the ASTC Settlement Rules.

ASTC Settlement Rules means the ASTC Settlement Rules issued by ASX Settlement and Transfer Corporation Pty Ltd ABN 49 008 504 532 as amended from time to time.

ASX Market Rules means the Market Rules of ASX as amended from time to time.

financial product has the meaning given to it in the ASX Market Rules.

FOR Financial Products has the meaning given to it in the ASTC Settlement Rules. In general, it refers to financial products which, because of legislation or a governing instrument, must not be owned beyond a specified limit by foreign persons.

Market Transaction has the meaning given in the ASX Market Rules and includes transactions in warrants but does not include Option Transactions (as defined in the ASX Market Rules).

Order means an order for the sale or purchase of financial products for the purposes of the ASX Market Rules to be executed by the Broker.

Registration Details has the meaning given to it in the ASTC Settlement Rules. In general, it refers to your name, address and a Residency Indicator.

Residency Indicator has the meaning given to it in the ASTC Settlement Rules. In general, it refers to a code (being "D" for domestic, "F" for foreign and "M" for mixed) used to indicate the status for the purposes of the relevant legislation or governing instrument of the ultimate beneficial owner of FOR Financial Products in a Holding on CHESS.

you means the person or persons in whose name the account is opened with the Broker or named on the account opening or application form as the client. If that is more than one person, "you" means each of them separately and every two or more of them jointly. "You" includes your successors and assigns.

Words expressed in the singular include the plural and vice versa.

Unless the context otherwise requires, a reference to a document or agreement includes any variation or replacement of it and a reference to any legislation or legislative provision includes any statutory modification or re-enactment of, or legislative provision substituted for, and any subordinate legislation issued under, that legislation or legislative provision.

Words used in this document have the meanings given to them in the ASX Market Rules, ACH Clearing Rules or the ASTC Settlement Rules. If you require a copy of these definitions please contact the Broker.

If you are a joint holder, these terms and conditions bind each person jointly and severally, and each person is authorised to issue instructions to the Broker and give receipts to Berndale in relation to any purchase or sale of financial products or other matters to which these terms and conditions relate.

You agree that in the event of any inconsistency between this document and any applicable laws, the ASX Market Rules, ACH Clearing Rules or ASTC Settlement Business Rules, the latter will prevail to the extent of the inconsistency.

You acknowledge that this document is not exhaustive and agree to be bound by other policies and procedures which concern the operations of your account with the Broker as notified to you from time to time.

Berndale Securities Limited
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Telephone: 03 9659 2558
A Participant of ASX Group