

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@protrader.com.au

Website: www.protrader.com.au

Instructions

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

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:

- (a) provide general financial product advice for the following classes of financial products:
 - (i) securities; and
 - (b) deal in a financial product by:
 - (i) applying for, acquiring, varying or disposing of a financial product on behalf of another person in respect of the following classes of products:
 - (A) securities;
- to retail and wholesale clients.

General Advice Only

Pro Trader Securities provides general financial product advice only. General financial advice 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 adviser before making any investment decisions on the basis of this general financial advice

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 Industry Complaints Service (FICS)
PO Box 579
Collins St West
Melbourne, VIC 8007
Phone 1800 780 808 or (03) 9629 7050
Fax (03) 9621 2291
E-mail fics@fics.asn.au

Services

Pro Trader Securities offers the following services:

- Advising/Dealing on stock exchange listed securities
- Market and company research information
- Trading software and data
- Provision of market related education

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. Share Trading Education

Pro Trader Securities operates a share trading education business based on a subscription model. If you are a client for these services you will be required to pay a membership fee and an ongoing subscription depending on the level of services and support you receive.

3. 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.

4. Software

Through a licensing arrangement with an associated company Pro Trader Pty Ltd, Pro Trader Securities markets and sells the Pro Trader stock market technical analysis software. Pro Trader Securities may receive a commission of up to 100% of the retail price for sales of this software.

5. Pro Trader Membership

Pro Trader Securities provides a membership service that includes the provision of software, market data, education and general financial advice. The Client may choose the level of service required Depending on the length of membership and the amount of services provided, this will cost up to \$3000. Annual membership is renewable at \$660 per annum.

Privacy

Pro Trader Securities is committed to upholding the National Privacy Principles that form part of the Privacy Act 1988. Except 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 upon request.

If at any time you feel your privacy has been breached by us, please contact privacy@protrader.com.au. 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.