



# Investorfirst Securities Ltd

Executing and Clearing on behalf of ANZIEX Ltd ABN 94 073 633 664  
Participant of ASX Group  
Australian Financial Services Licence No. 239122

## Product Disclosure Statement for Exchange Traded Options (ETOs)

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## Product Disclosure Statement

This Product Disclosure Statement (PDS) outlines important information you should consider before investing in Exchange Traded Options (ETO's).

### Purpose of this PDS

This PDS has been prepared by ANZIEX Ltd. This PDS is designed to assist you to decide whether the ETO products described in this PDS are appropriate for your needs. It is an important document and we recommend you contact us should you have any questions arising from it prior to entering into any transactions with us.

This PDS is in two parts. The first Part contains all information other than the Schedule of Fees.

The information in this PDS does not take into account your personal objectives, financial situation and needs. Before trading in ETO's you should be satisfied that such trading is appropriate for you in view of those objectives, and your financial situation and needs, and we recommend that you consult your investment advisor or obtain other external advice.

### What products does this PDS cover?

This is a PDS for ETO's traded on Australian Securities Exchange Limited (ASX). It deals with ETOs, Index Options and Low Exercise Price Options. Exchange traded equity options are options over quoted shares (or other securities) of a range of different companies listed on ASX.

Exchange traded index options are options over an index such as the S&P™ /ASX 200™ Property Trust Index.

A list of companies and indices over which ETO's are traded can be found on the ASX website [www.asx.com.au/options](http://www.asx.com.au/options).

### Introduction

ETOs are versatile financial products that can allow investors to:

- hedge against fluctuations to their underlying share portfolio
- increase the income earned from their portfolio to profit from speculation
- allow access to leverage on larger cap securities (ie top 50 companies)

Their flexibility stems from the ability to both buy and sell an option contract and undertake multiple positions targeting specific movements in the overall market and individual equities.

The use of ETOs within an investor's overall investment strategy can provide great flexibility to take advantage of rising, falling and sideways markets. However, both the purchase and sale of ETOs involve risks that are discussed in the PDS.

Specific concepts which should be practically understood before engaging in an options strategy are:

- The effect time has on any one position/strategy;
- How volatility changes, both up and down, may change your pay-off diagram for a position;
- How to calculate margins and worst-case scenarios for any position;
- The likelihood of early exercise and the most probable timing of such an event;
- The effect of dividends and capital reconstructions on an options position;
- Liquidity of an options series, the role of market makers, and the effects this may have on your ability to exit a position.

When buying an ETO, the initial outlay of capital may be small relative to the total contract value so that transactions are "leveraged" or "geared". Investors should understand the nature and extent of their rights, obligations and risks associated with trading ETOs when entering into transactions.

When selling an ETO, the initial income may seem attractive but the downside may be unlimited. Risk minimisation strategies should be employed to mitigate losses when a position does not move in a favourable manner.

This PDS provides product information including information about the risks, characteristics and benefits of ETOs. Investors should inform themselves and if necessary obtain advice about the specific risks, characteristics and benefits of the ETO they intend to trade and relevant ASX rules.

Whilst we do not provide personal advice or recommendation, we do provide factual information about financial products and markets.

Prior to trading ETOs with us, you are required to do the following:

- Read and understand the ASX ETOs explanatory booklet
- Read this PDS which explains ETOs
- Open a trading account with us by completing an Application Form
- Read and understand the Risk Disclosure Statement for derivatives traded on ASX
- Complete the ETOs Client Agreement Form and provide a copy of government issued photo ID.

## Educational booklets

ETOs have been traded in Australia since 1976 on the ASX. Over this time, ASX has prepared a number of educational booklets relating to ETO's which are available to you via their website.

In addition to the reading this PDS, investors are advised that the PDS cross references certain of the ASX booklets. The ASX booklets that relate to options include "Understanding Options Trading", "Margins", "Understanding Option Strategies", which are available free on the ASX and ANZIX websites [www.asx.com.au/options](http://www.asx.com.au/options) and [www.investorfirstsecurities.com.au](http://www.investorfirstsecurities.com.au). These booklets provide useful information regarding options traded on the ASX, including option features, advantages of options, risks associated with options, option adjustments, option pricing, margins, taxation and option contract specifications.

One of the ASX booklets entitled "Understanding Options Trading" is a booklet which we must give in accordance with the ASX operating rules when you sign our client agreement to trade ETOs. This booklet is also available on the ASX website.

**Please note if you do not have internet access you can obtain hard copies of all booklets from InvestorFirst Securities or ASX.**

## What are Exchange Traded Options (ETOs) contracts?

ETOs may be American or European style exercise. Most ASX options are American style, which means they are tradeable and can be exercised at any time prior to the expiry day. European options are usually options to buy or sell the shares underlying the option at a specified price (exercise price) on a predetermined date. To acquire this right, the taker pays a premium to the writer (seller) of the contract. When considering options over an index, the same concepts generally apply.

The premium is not a standardised feature of the ETO contract and is established between the taker and writer at the time of the trade.

ETO sellers are referred to as "writers" because they underwrite (or willingly accept) the obligation to deliver or accept the shares covered by an option. Similarly, buyers are referred to as "takers" of an ETO as they take up the right to buy or sell a parcel of shares. Every ETO contract has both a taker and a writer.

There are two types of ETOs, namely call options and put options. By combining two or more of these basic positions, an investor can create a trading strategy that meets a range of investment objectives, including the protection of an existing portfolio of shares.

Call options give the taker the right, but not the obligation, to buy a standard quantity of underlying shares at a predetermined price on or before a pre - determined date. If the taker exercises their right to buy, the seller (writer) is required to sell a standard quantity of shares at a pre - determined exercise price. The premium is the price of the option agreed to by the buyer and seller through the market.

Put options give the taker the right, but not the obligation, to sell a standard quantity of underlying shares at a predetermined price on or before a pre - determined date. If the taker exercises their right to sell, the seller (writer) is required to buy a standard quantity of shares at a pre - determined exercise price. The premium is the price of the option agreed to by the buyer and seller through the market.

For more information on possible trading strategies we refer you to the ASX Booklet entitled "Understanding Options Strategies" available on the ASX and InvestorFirst websites [www.asx.com.au/options](http://www.asx.com.au/options) or [www.investorfirstsecurities.com.au](http://www.investorfirstsecurities.com.au)

The taker will always pay the writer a price (called the premium) to enter into the option contract. The writer receives and keeps the premium but has the obligation to buy or deliver to the taker the underlying shares at the exercise price if the taker exercises the option.

## What are Low Exercise Price Options (LEPOs)

LEPOs are call options with an exercise price of one cent. As with any option, the maximum loss for the buyer is the premium paid for the option contract. As LEPOs have a low exercise price the full premium amount will be closer to the full value of the underlying instrument than a standard ETO. Although the buyer of a LEPO may only be required to outlay a relatively small amount of funds as margin when the buyer of the LEPO, does not exercise the LEPO, the buyer will lose an amount approximately equal to the then current premium of the LEPO.

LEPOs are leveraged instruments and potential profits and losses can be greater than the money initially outlaid. Both buyers and sellers of LEPOs are required to pay margins to Australian Clearing House (ACH).

For more information on LEPOs you should talk to your advisor and read the ASX publication Understanding Options Trading.

## Deliverable or cash settled

ETOs are either deliverable or cash settled. Most exchange traded equity options are deliverable, that is with physical delivery of the underlying security, whilst index options are cash settled. Cash settlement occurs in accordance with the rules of the Clearing House against the Opening Index Price Calculation (OPIC) as calculated on the expiry date.

## Standardised Contracts

ETOs are created by the exchange on which the underlying equity or index is listed. We trade ETOs in relation to companies and indices listed on the ASX website provides a list of companies and indices over which ETOs are traded, these can be found at [www.asx.com.au/options](http://www.asx.com.au/options).

ASX determines the key contract specification for each series of ETOs listed, including;

- a) the underlying security or underlying index;
- b) the contract size where 1 option contract on ASX usually represents 1000 underlying shares;
- c) the exercise price (or strike price) – the exercise price (or strike price) is the specified price which the taker (buyer) of an equity option can buy or sell the underlying shares. The ASX sets the range of exercise prices at specific intervals according to the value of the underlying shares. It is important to note that the exercise price of an equity option may change during the life of an option if they underlying share is subject to a bonus or rights issue or other form of capital reconstruction. The number of underlying shares may also be subject to an adjustment; and
- d) the expiry date – ETOs have a limited pre-determined life span and generally follow one of three cycles, namely:
  - I. January/April/July/October
  - II. February/May/August/November
  - III. March/June/September/December

The ASX may in accordance with its operating rules make an adjustment to any of the above specifications if the listed entity over which the option relates makes a pro-rata change to its ordinary share capital structure (eg bonus issues or special dividends are declared). If ASX does not make an adjustment it will endeavour to preserve the open positions of takers and writers at the time of the adjustment as best as possible. ASX has issued an Explanatory Guide for Option Adjustments which can be found on the ASX website which provides further information regarding ASX option adjustments.

Full details of all ETOs listed on ASX and expiry date information can be found on the ASX website [www.asx.com.au/options](http://www.asx.com.au/options) or alternatively through InvestorFirst. A list of the previous day's trading are published in summary from the *Australian Financial Review* and more comprehensively in *The Australian*.

Details of contract specifications for ETOs are published by the ASX on their website. The contract specifications detail the key standardised features of ETOs and index options traded on ASX.

## Premium

The premium (price of the option) is not set by the ASX. It is negotiated between the buyer or seller of the ETO through the market. The premium for an equity option is quoted on a cents per share basis so the dollar value payment is calculated by multiplying the premium amount by the number of underlying shares (usually 1000). For example, if you buy an option representing 1000 shares per contract for a premium of 0.25c the outlay is  $0.25 \times 1000 = \$250.00$  per contract.

Option premiums will fluctuate during the option's life depending on a range of factors including the exercise price, the price of the underlying securities or the level of the index, the volatility of the underlying securities of the underlying index, the time remaining to expiry date, interest rates, dividends and general risks applicable to markets.

Most option pricing involves the use of a mathematical formula which includes calculating the intrinsic and time value of the particular option. You should refer to the section entitled "Option pricing fundamentals" in the ASX booklet "Understanding Option Trading" for more information regarding the fundamentals of pricing options. ASX also provides a pricing calculator on the ASX website, [www.asx.com.au/options](http://www.asx.com.au/options).

## No Dividends or Entitlements

ETOs do not entitle investors to dividends or other entitlements paid by the issuer of the underlying securities, unless the investor exercises the option to become the holder of the underlying securities at or before the relevant date for dividend or entitlement purposes.

## Opening of option contracts

The establishment of a contract is referred to as opening a position.

Once the taker of an ETO has an open position they have three alternatives:

1. The taker can exercise the option.
2. The taker can hold the option to expiry and allow it to lapse.
3. The taker can close out their position by writing (selling) an option in the same series as originally taken and instructing their broker to "close out" the earlier open position.

The writer of an ETO has two alternatives:

1. Let the option go to expiry and risk being exercised against (if is not exercised against, it will expire without any further obligation or liability on the writer); or
2. Close out the option by taking (buying) the option in the same series as originally taken (provided it has not been exercised against).

## Closing out of option contracts

An ETO position may be “closed out” by placing an order equal and opposite in effect to your original order – this effectively cancels out the open position. An investor would close out an option contract:

- when there is a risk of unwanted early exercise (unless an index option as they can only be exercised on expiry day)
- to take a profit
- to limit a loss.

It is important that you advise us if you are seeking to close out an existing positions when placing your order. Closing out can be achieved without reference to the original party to the trade because of the process of novation. The Clearing House is able to substitute a new buyer as the contract party when an existing buyer sells to close position. The process of novation is discussed in more detail below in the section entitled “Trading and clearing options”.

## Expiry

ETOs have a limited life span and every option within the same series, which has not already been exercised, will expire on the expiry day. The expiry day is a standard day set by the ASX. For ETOs the option expires on the Thursday preceding the last Friday in the month, as long as both the Thursday and Friday are business days. Therefore if the last day of the month is a Thursday the option will expire on the Thursday prior. For index options, expiry is usually the third Friday of the contract month; Expiry day information is available on the ASX website.

## Exercise

Option takers make the decision to exercise the option contract. This means that an equity option writer may be exercised against at any time prior to expiry. The Clearing House will “randomly” allocate a writer for every exercised taken position. This means that if the taker wants to exercise the options and either buy or sell (depending on whether it is a call or a put) at the predetermined price then ASX randomly allocates a writer of that option and allocates the exercise against them. The writer must accept the shares at a predetermined price for a put or sell the shares at the predetermined price for a call. The taker of an option will generally only exercise for a profit and therefore the exercise may result in a loss to the writer of the option, depending on their initial costs. Once a writer has been allocated, the writer loses the opportunity to close their position and must effect the delivery or cash settlement obligations for the particular equity option contract.

To be able to activate spread trading on your account with us, you must complete an auto-exercise form. The purpose of this auto-exercise agreement is so that, in the event of a short position being assigned on expiry, the ACH will automatically exercise your long (in the money) position. This is to protect you in case you fail to instruct us to exercise your position or close out the spread.

## Settlement

Payment for, and the delivery of underlying securities, on exercise of an open ETO contract via the ASX’s Clearing House Electronic Sub register System (CHES) on T + 3. We are obligated to make payment to the ASX within this timeframe. For cash settled index options, a cash settlement amount calculated having regard to the opening price index calculation on expiry day, is paid to exercising takers on the day following the expiry date. The level used for settling index options is determined by a special formula. If you intend investing in index options you should take the time to understand these arrangements. For more information on settlement of index options see the ASX Booklet “Understanding Options Trading” section on “Trading index options”.

We require that you settle any shortfall at T+1 (that is within 24 hours from the time the trade occurred) for all cash positions which arise from premiums, interest, and other cash financial transactions. You are required to pay the shortfall in margin amounts we call from you within 24 hours of being advised of the margin amount by us.

## Benefits of ETOs

ETOs have a number of advantages and include:

- Risk management where investors can hedge (protect) their share portfolio from a drop in value. Put options allow investors holding shares to hedge against a fall in the share price;
- Shareholders can earn income by writing call options over shares they already hold. As a writer of options, the investor will receive the premium amount up front. The risk is that the writer may be exercised against and be required to deliver their shares to the taker at the exercise price. By taking a call option, the purchase price for the underlying shares is locked in. This gives the call option holder time to decide whether or not to exercise the option and buy the shares. The holder has until the expiry date to make his/her decision. Likewise the taker of a put option has time to decide whether or not to sell the shares;
- ETOs benefit from standardisation and registration with a clearing and settlement facility which reduces counterparty default risk. This process provides the benefit that the client’s position can be closed out without reference to the original counterparty and the client’s risk to that counterparty is transferred to the Options Clearing House;
- Speculation, where the flexibility of entering and exiting the market prior to expiry, permits an investor to take a view on market movements and trade accordingly. In addition the variety of option combinations allows investors to develop strategies regardless of the direction of the market.
- Options do not require a rising market to make money; rather investors can profit both rising and falling markets depending on the strategy they have employed. Strategies may be complex and strategies will have different levels of risk associated with each strategy;

## Benefits or ETOs (continued)

- The initial outlay for an options contract is not as much as investing directly in the underlying shares. Trading in options can allow investors to benefit from a change in the price of the share without having to pay the full price of the share. An investor can therefore purchase an option (representing a larger number of underlying shares) for less outlay and still benefit from a price move in the underlying shares. The ability to make a higher return for a smaller initial outlay is called leverage. Investors however, need to understand that leverage can also produce increased risks;
- Given the lower initial outlay attaching to options, investors can diversify their portfolios and gain a broad market exposure over a range of securities or the index itself.

## Risks of ETOs

The risk of loss in trading in ETOs can be substantial. It is important that you carefully consider whether trading ETOs is appropriate for you in light of your investment objectives and financial circumstances.

You should only trade ETOs if you understand the nature of the products and the extent of your exposure to risks. The risks attached to investing in ETOs will vary in degree depending on the option traded.

This PDS does not cover every aspect of risk associated with ETOs.

For further information concerning risks associated with ETO trading you are referred to the ASX booklet "Understanding Options Trading" and in particular the section entitled "Risks of option trading" the booklet can be found on the ASX and InvestorFirst websites at [www.asx.com.au/options](http://www.asx.com.au/options) or [www.investorfirstsecurities.com.au](http://www.investorfirstsecurities.com.au).

ETOs are not suitable for some retail investors, for example investors who have a low risk tolerance should not enter into ETO trades which have the potential for unlimited losses. When deciding whether or not you should trade ETO contracts, you should be aware of the following matters relating to risk:

- The high level of leverage that is obtainable in trading ETOs (due to the low level of initial capital outlay) can work against an investor as well as for the investor. Depending on the market movement, the use of leverage may lead to large losses as well as large gains;
- ETOs have a limited life span as their value erodes as the options reach its expiry date. It is therefore important to ensure that the option selected meets the investor's investment objectives;
- ETOs are subject to movements in the underlying market. Options may fall in price or become worthless at or before expiry;
- The maximum loss in taking (buying) an ETO is the amount of premium paid. If the option expires worthless, the taker will lose the total value paid for the option (the premium) plus transaction costs;
- Whilst writers (sellers) of ETOs earn premium income, they may also incur unlimited losses if the market moves against the option position. The premium received by the writer is a fixed amount; however the writer may incur losses greater than the amount. For example, the writer of a call option has increased risk where the market rises and the writer does not own the underlying shares. If the option is exercised, the writer of the option is forced to buy the underlying shares at the current (higher) market price in order to deliver them to the taker at the exercise price. Similarly where the market falls, the writer of a put option that is exercised is forced to buy the underlying shares from the taker at a price above the current market price;
- Writers of options could sustain a total loss of margin funds deposited with us. In addition, the writer may be obligated to pay additional margin funds (which may be substantial) to maintain the option position or upon settlement of the contract. Margining is discussed below;
- Under certain conditions, it could become difficult or impossible to close out a position. For example, this can happen where there is a significant change in price over a short time period;
- The ASX and its Clearing House have discretionary powers in relation to the market. They have power to suspend the market operation, or lift market suspension in options while the underlying securities are in trading halt if the circumstances are appropriate, restrict exercise, terminate an option position or substitute another underlying security (or securities), impose position limits or exercise limits or terminate contracts – all to ensure fair and orderly markets are maintained as far as practicable. These actions can affect an investor's option positions;
- Trades affected on the ASX may be subject to dispute. When a trade is subject to a dispute the ASX has powers, in accordance with its rules, to request that we amend or cancel a trade, which will in turn result in the contract with a client being amended or cancelled;
- Trades affected on the ASX are traded on an electronic trading platform and cleared through the Clearing House. As with all such electronic platforms and systems, they are subject to failure or temporary disruption. If the system fails or is interrupted we will have difficulties in executing all or part of your order according to your instructions. An investor's ability to recover certain losses in these circumstances will be limited given the limits of liability imposed by the ASX and the Clearing House.

## Costs and amounts payable associated with trading ETOs

Part B of this PDS contains information on the commission, brokerage and exchange fees attaching to ETOs.

Our primary source of income is from the brokerage paid on transactions made through our services – \$80.00 or 1.0% is our minimum brokerage rate on ETOs. ACH fees of \$1.12 per contract also apply for ETOs.

We charge our brokerage fees on the purchases and sales of executed transactions made through your account. We will deduct any government charges from the proceeds of a sale or add applicable government charges to the purchase price of an order you make.

Minimum brokerage rates apply depending on the total consideration of the contract and additional administration fees may also apply in certain circumstances.

## Costs and amounts (continued)

Our brokerage fees are included on our contract notes and cover various expenses we incur to deliver the services as well as a profit component. You may find further information about our products, services and fees through our website.

We are also required to maintain a trust account on your behalf to hold funds that are used for your share trading account. We will retain any interest that may be earned on this account.

Our staff do not provide personal advice and are entitled to receive an annual salary and may in some cases receive performance-based bonuses.

## Margins

The Clearing House calculates margin amounts using a system known as TIMS (Theoretical Intermarket Margining System). Writers of options will be obliged to pay margin.

Margins are generally a feature of all exchange traded derivatives and are designed to protect the financial security of the market. A margin is the amount calculated by the Clearing House as necessary to cover the risk of financial loss on an options contract due to an adverse market movement. This means that if the price of your options moves against you, you will be asked to pay a margin which represents that adverse movement.

We may call more margin from you, compared to the amount that is obliged to be paid to the Clearing House – we do this as a risk management tool.

Clearing House margin obligations may be met by paying cash or by providing certain types of eligible collateral (eg. shares and bank guarantees). Clearing House applies a “haircut” in relation to the value of such collateral as a risk management tool eg. Clearing House generally values collateral held by it at 70% of its full value. This means that if the shares used to you as collateral have a market value of \$10,000 only \$7,000 will be counted as collateral cover for your margin calls.

Total margin for ETOs is made up to two components:

- Premium margin – this is market value of the particular position at the close of business each day.
- Risk margin – this is the potential change in the price of the option contract assuming the maximum probable inter-day price move in the price of the underlying security or index. In times of extreme volatility an intra day margin call may be made by the Clearing House and as a consequence, we may request that you pay this on the same day.

Margin must be paid by you within 24 hours of you being advised of the margin call by us. The margining process used by Clearing House is explained in detail in the ASX booklet “Understanding Margin Obligations,” which is available on the ASX and InvestorFirst websites at [www.asx.com.au/options](http://www.asx.com.au/options) or [www.investorfirstsecurities.com.au](http://www.investorfirstsecurities.com.au).

Any interest levied on late settlement and margin payments is due and receivable at the time the amount is levied and certainly within 1 business day of a demand being made by us.

## Other significant characteristics of ETOs

### Trading and clearing options

ETOs are traded on the ASX’s trading platform and cleared through the Clearing House. Participants of ASX must comply with the operating rules of the ASX. Participants who clear option contracts must comply with the operating rules of the Clearing House.

The Clearing House stands between the buying and selling brokers (the ASX participants) and guarantees the performance to each of them. This process is known as “novation”. Importantly the Clearing House does not have an obligation to you, the underlying client. The rules of the ASX’s equities clearing house govern arrangements once a deliverable ETO has been exercised.

### Client Trust Accounts and collateral

In order for us to trade an ETO contract for you, we require you to provide us with money or collateral to enable us to manage the risks associated with our dealings for you in ETOs. Client money and collateral paid or given by you in connection with our dealing in ETOs must be held by us in trust in accordance with the Corporations Act and the ASX rules.

Money is held on trust for you in a trust account, however, this does not apply to money paid to reimburse us for payments we have had to make to the Clearing House (generally margin calls) in respect of dealings for you. The Corporations Act provides that money held in the trust account can be used for specific purposes such as meeting margin obligations, guaranteeing, securing, transferring, adjusting or setting dealings in derivatives.

CHESS securities (held by you) may be lodged in your name with the Clearing House as collateral for margin obligations relating to option trades. When CHESS securities are lodged with the Clearing House, the securities are held by the Clearing House as a “third party security”. The lodged securities cannot be used by us in relation to our dealings or for our other clients in relation to their dealings unless authorised by you as third party collateral. Shares in a client’s superannuation fund cannot be used as third party collateral for any other account.

## National Guarantee Fund

The National Guarantee Fund (NGF) provides investors with protection in the following circumstances:

1. If a securities is exercised, the NGF guarantees completion of the resulting trades in certain circumstances; and
2. if you have entrusted property to us in the course of dealing in options, and we later become insolvent, you may claim on the NGF, in accordance with the rules governing the operation of the NGF, for any property which has not been returned to you or has not otherwise been dealt with in accordance with out obligations to you. There are limits on claims to the NGF for property entrusted. For more information on the possible protections offered by the NGF see [www.seqc.com.au](http://www.seqc.com.au).

## Significant taxation implications

It is important to note that your tax positions when trading ETOs will depend on your individual circumstances and you should consult your own taxation adviser before making any decisions to trade in ETOs. For further information on the taxation treatment of options you are referred to the article "Taxation Treatment of Options" at [www.asx.com.au/markets/pdf/Tax\\_implications.pdf](http://www.asx.com.au/markets/pdf/Tax_implications.pdf).

The taxation consequences of trading in ETOs are complex and will depend on you individual circumstances, It is therefore important tht you ascertain whether you are a trader, a speculator or a hedger as the tax treatments for each may differ as discussed below. Given we are not taxation adviser you should discuss any taxation issues with your tax adviser before entering or disposing of an ETO.

## How do I place an order or change my personal details?

You can provide your transaction instruction details over the telephone, email or fax.

If you need additional information about our services, please do not hesitate to contact InvestorFirst at:

Level 11, 7 Macquarie Place Sydney NSW 2000.

Telephone: + 612 8274 6000 or Fax: +612 9247 6428

Email: [info@investorfirstsecurities.com.au](mailto:info@investorfirstsecurities.com.au)

## Privacy

We are committed to addressing the concerns of our clients. This has led to use to develop a privacy policy to inform clients on how we endeavour to keep their information secure and in what manner we use their personal information.

We are bound by the National Privacy Principles that from part of the Privacy Act, 1988 (Cth.) This determines the ways in which we must treat personal information. This policy covers personal information that may be gathered though the Internet, fax, post or over the telephone.

A copy of our privacy policy is available on our website [www.investorfirstsecurities.com.au](http://www.investorfirstsecurities.com.au). If you would like further information regarding this policy, please contact us on (02) 8274 6000.

## Complaints

We value your business and are continually improving the service to our clients. If you have any suggestions on how our services can be improved, if you have a concern or complaint, or if you would like to compliment us on our service you may take one of the following steps:

Contact our Complaints Resolution Manager:

Email: [ghenderson@anziex.com.au](mailto:ghenderson@anziex.com.au)

Telephone: + 612 8274 6000

Fax: +612 9247 6428

Or write to us at:

**Level 11, 7 Macquarie Place Sydney NSW 2000.**

A copy of our Complaints Handling Policy is available on our website and a hard copy is available on request by contacting us.

We are a member of the Financial Industry Complaints Service Ltd (FICS). The FICS is contactable at PO BOX 579 Collins Street West Melbourne VIC 8007 Toll free 1300 780 808 – (outside Melbourne metropolitan area). Fax (03) 9621 2291

In the event you are still not satisfied, the Australian Securities and Investment Commission (ASIC) has a toll free info line on 1300 300 630 which you may use to lodge a complaint and obtain information about your rights or you can contact the ASX on (02) 9227 0000

## **ETO Brokerage and Fee Schedule**

1. The minimum brokerage rates are \$80.00 or 1.0% whichever greater.
2. An Exchange Traded Option contract in a contract to buy or sell underlying securities in a predetermined quantity, usually of 1000 units, at a predetermined price on, or before, a predetermined date. A \$1.12 Australian Clearing House fee per contract is applied for ETO transactions. In the case of index options, ACH charges \$0.39 per contract including GST, for both the transaction fee and the exercise fee.