FUTURES SUITABILITY STATEMENT.

Nature of Futures and Options on Futures Markets
Relevant Personal Circumstances
Futures and Options Strategies

FOR OFFICE USE ONLY

Bell Potter Account Name			
Bell Potter Equity Account Number			
Bell Potter Option Account Number			
Client Name 1			
Client Name 2			
Client Name 3			
Address			
Date			
Contact Numbers	Phone	Mobile	Fax
Adviser			

Bell Potter Securities Limited

Stockbrokers, Providers of Scaled Exchange Traded Securities Advisory, Execution, Clearing & Settlement Services.

Australian Financial Services Licence No. 243480
ABN 25 006 390 772

Market, Clearing and Settlement Participant of the ASX and a Trading Participant of CHI-X, NSX & IR PLUS.

BELL POTTER

IMPORTANT NOTE

THIS FUTURES AND OPTIONS SUITABILITY STATEMENT IS TO BE COMPLETED BY THE CLIENT IN CONSULTATION WITH THE ADVISER.

The purpose of this document is to supplement the information contained in Bell Commodities' Account Opening Documentation and its Product Disclosure Statement in order to explicitly identify the nature of the Futures markets and their associated Options markets, the risks involved and the features that are relevant for investors to assess their suitability to trade in those markets.

In order to trade in the Futures and Options markets, investors need to have both a 'Speculative' and a 'Leveraged Investment Objective', unless the trader is hedging an exposure in a physical market and consequently has a 'Hedging Investment Objective'.

The Australian Corporations Act identifies three classes of investor, the 'Professional Investor', the 'Wholesale (or Sophisticated) Investor' and the 'Retail Investor'.

The 'Professional Investor' controls funds of $10 million or more, the 'Wholesale Investor' has net assets of at least $2.5 million or an annual gross income over the last two years of $250,000, (both as certified by a qualified accountant in the last two years) or is a manufacturing business with 100+ employees or any other business with 20+ employees. Anyone else is a 'Retail Investor'.

If an investor falls within the aforementioned definition of a 'Retail Investor' and has a 'Speculative' and 'Leveraged Investment Objective,' please read the following information and discuss the nature, risks and features of the Futures and Options market with a Bell Commodities Adviser.

If the investor wants to apply to open an account with Bell Commodities, complete and sign the Relevant Personal Circumstances Questionnaire and Acknowledgement and return one copy of it to Bell Commodities, retaining the other copy for the investor's records.

All information provided is protected by the National Privacy Principles established under the Privacy Act 1988 and the Privacy Amendment (Private Sector) Act 2001 and will be retained by Bell Commodities, in accordance with its published Privacy Policy (copy available by request).

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NATURE OF FUTURES AND OPTIONS ON FUTURES MARKETS

THE FURTHER EXPLANATION OF THE FUTURES AND OPTIONS MARKETS APPEARING BELOW IS SUPPLEMENTARY TO THE PRODUCT DISCLOSURE STATEMENT INCLUDED IN OUR ACCOUNT OPENING DOCUMENTATION, AND SHOULD BE READ CAREFULLY.

GENERAL AND PARTICULAR CHARACTERISTICS OF THE FUTURES AND OPTIONS MARKETS

The Futures and Options markets do not fall within the traditional investment asset classes, which are Cash, Fixed Interest, Property, Local Equities and International Equities.

Futures and Options markets are Derivatives markets.

Being Derivatives, Futures and Options markets have underlying markets and are therefore subject to the **Market Risk of the underlying market** and the underlying Cash Market as well as risks of the Derivative market itself. The Underlying Market of an Options market may be a physical market or a Futures market, which in turn will have an underlying physical market. Some knowledge of the underlying market is necessary for every trader participating in the Futures and Options markets.

Futures and Options Traders should also understand the life of the asset they are trading. Futures and Options are **Short Term** investments. Every Futures and Options contract has a maturity date or expiry date in the short term. Although various contract maturities may be listed and quoted out for successive calendar months or quarters, the volume of Open Interest per maturity date will quickly indicate the maturity where all the market interest lies.

Options are **Wasting Assets**. They suffer Time Decay as they move towards expiry. However, Time Decay can both help and hurt a position depending upon which way around the Trader is in the market. While the effect of Time Decay will depend on the particular strategy being traded, it generally hurts a long position and helps a short position.

Derivatives markets are **Leveraged** and as a result can experience a high degree of **Volatility** and therefore can entail very significant **Capital Risk**. Traders in the Futures and Options markets need to understand these concepts in relation to the Futures and Options markets generally as well as specifically in relation to the particular Futures or Options strategy they are trading.

Futures and Options Traders should also understand the **Participants** in, and the **Specifications** of, the markets they are trading. Key Specifications are the **Total Value of the Contract** and the amount of **Initial Margin** required to open one contract, the manner in which further **Collateral** can be called to secure the settlement of the contract and the market's **Trading Hours**.

Many of the Futures and Options markets have become **Globalised**, principally as a result of their underlying cash markets being subject to international influence and the increasing propensity for the major Futures and Options markets to trade after hours as well as during the normal business hours of their home exchange, ie. effectively trade on a 24 hours basis.

Notwithstanding that a Trader may be planning to trade in a local (ie. ASX 24, [previously Sydney Futures Exchange) Futures or Options market, the globalisation of markets and the practice of trading on a virtual 24 hour basis ensures that local markets will not be insulated from international developments, although some Futures and Options markets will be more susceptible to the influence of international events than others; for example the ASX 24's Bank Accepted Bill Futures and Options markets responded differently to the September 11, 2001 terrorist attack on the World Trade Centre than the ASX 24's Share Price Index Futures and Options markets.

With regard to **Market Participation**, Futures markets are normally comprised of a wide range of participants (genuine hedgers, both long and short in the underlying physical market, and investors trading on the basis of individual fundamental and technical views, from both sides of the market). On the other hand, participation in the Options markets is more limited. Options markets can be primarily comprised of professional traders, the more established of which can be Market Makers. Liquidity in the Options markets is more dependent on the active presence of these Market Makers and their participation in the market is not always guaranteed. Although some Option markets have organised market-making arrangements, liquidity can nevertheless dry up very quickly.

A key feature of the Futures and Options markets is the **Liquidity** of those markets. Liquidity can dry up, particularly at times of market stress and particularly if that Liquidity is dependent upon market makers, who can withdraw from the market without notice. A lack of liquidity can make it difficult or impossible to close out an open position. Also, contingent orders such as stop loss orders may not always limit losses to the amounts anticipated by the trader as it may be impossible to execute the order at or close to the "stop loss" level.

LEVERAGE AND VOLATILITY

Derivatives provide Traders with access to Leverage in that Traders only have to fund a very small proportion of the total value of the contract for which they are contracting, something in the order of 5%. Because Derivatives are leveraged, a very small movement in the underlying market can have a proportionately larger impact on the value of the Derivative. Consequently, as well as providing the potential to make higher returns from a smaller initial outlay than investing directly in the underlying market, Derivatives also entail significant Capital Risk ie. the risk of losing more than the initial outlay. Leverage in the Futures and Options markets can work against the Trader as well as for the Trader and can lead to large losses as well as large gains.

Volatility is the propensity for the price of the Derivative contract to fluctuate. Owing to the fact that Futures and Options are leveraged instruments, movements in the underlying market will be significantly magnified in the Futures and Options market. Furthermore, Futures and Options open positions are strictly Margined so as to fully collateralise the eventual settlement of the position. Liquidity is also an important factor in relation to volatility, as a lack of liquidity can also add to volatility as the market finds it difficult to absorb increased volume levels.

RISK

Leverage and Volatility combine with Globalisation to produce Futures and Options markets with a high degree of Capital Risk. Consequently, Traders in those markets need to have both an appetite for accepting risk and a full understanding of the risks of the particular strategy they are trading relative to the rewards they are receiving, at least in general terms as to whether those risks are Unlimited, Substantial or Limited, particularly for strategies where rewards are Limited.

While Capital Risk can vary depending on the strategy adopted, uncovered Futures positions and Granted Option positions have, for example, unlimited Capital Risk. Unlimited Risk positions should only be contemplated if risk management of that position is also contemplated whether it be only an **intention to monitor the market with a view to entering** a Stop Loss Order or liquidating the position at a particular level or entering into a hedge or partially cover the position or actually entering these risk management instructions in the market.

Clients should be aware that a 'spread' position is not necessarily less risky than a simple 'long' or 'short' position.

Risk Management is not actually in place unless it is actually implemented in the market.

COLLATERAL

Margins are the funds deposited as collateral to secure the final settlement of the Futures or Option position.

The Leveraged character of the Futures and Options market necessitate all open positions to be revalued on at least a daily basis (sometimes intra-day) and for holders to be called to cover any deterioration in the value of their positions with prompt settlement of those calls. This cover or margin can be required at very short notice ie. on a same-day basis, although margin is generally settled within 24 hours of call. Accordingly, to maintain Futures and Options positions in the face of a deteriorating market, Traders will need access to liquid funds because if the Trader fails to provide the additional funds the position will be liquidated for the Client's account. The rules of the Futures and Options market's self-regulatory body make time the essence of the margining process.

Derivatives traders should have enough collateral with their Futures broker and/or access to other liquid funds so they can take whatever follow-up action becomes necessary in the face of adverse market conditions.

To recap, Margin is the amount of collateral that has to be deposited to secure the position on the basis of a calculation of the risk exposure of the position on a daily basis. The daily adjustment of margin requirements and the prompt settlement of those adjustments are designed to ensure, first, that all financial commitments related to all open positions in the whole market can be settled within a very short period of time, and second, that collateral deposits are kept to a minimum.

Margins are not confined to the cost of simply liquidating the short position, eg. buying back the sold Futures or the granted Options, at the last settlement price. Provision needs to be made for the additional cost of liquidating the position not at the last settlement price but at a liquidation cost resulting from substituting an assumed unfavourable price movement that may occur on the next day when the position is actually liquidated.

The necessity for Futures and Options Traders to have both **significant net worth** and **access to liquid funds** is an essential pre-requisite to trading the Futures and Options markets.

TRADING HOURS

Traders should always understand the Trading Hours of the particular Futures and Options market they are trading relative to the trading hours of the underling market and other influencing markets and whether there is any after-hours trading in the Futures or Options market. For example if EUREX's DAX Index Options market opens at 09:00 and closes at 20:00 Frankfurt time, these market hours should be known relative to those of the underlying physical market, namely the German Stock Market as well as other influencing markets such as the US Stock Market.

FUTURES AND OPTION INSTRUMENTS AND STRATEGIES CAN BE COMPLICATED

The only way a Trader can reasonably make a decision on his or her suitability to trade the Futures and Options markets is to acquire a complete understanding of the objectives and risks and funding requirements of the various Futures and Option strategies in which the Trader is interested. Traders should never trade a derivative strategy outside their level of understanding.

THE FUTURES AND OPTION TRADER'S FINANCIAL SITUATION

Futures and Options positions should be collateralised with Capital that is surplus to an investor's day-to-day family living, business and retirement requirements. In the event of a superannuation fund trading in Futures or Options, the fund should only do so in accordance with an Investment Strategy which has due regard for risk, diversification and the obligation to pay retirement benefits.

Ideally, Futures and Options positions should not be collateralised with Borrowed funds. In the event they are, Clients should not be reliant on Futures and Options trading returns to meet interest or debt repayment obligations. The Capital allocated to collateralise a Futures or Option position should be regarded as Risk Capital.

Only a small proportion of a Trader's Net Worth should be allocated to the Futures and Options markets.

Investors in the Futures and Options markets should not rely on income from the capital that they deploy in collateralising Futures and Options positions.

Trustees of Self Managed Superannuation Funds are obliged to document an Investment Strategy for the Superannuation Fund. Failure to document the Fund's Investment Strategy and invest within that Strategy will jeopardise the Fund's tax concessions.

INVESTOR SUITABILITY

Futures and Options are not suitable for some Retail Investors and are only suitable for those Traders who accept or meet the following criteria:

- that Futures and Options markets are **High Risk Speculative** markets;
- that Futures and Options are **Short Term investments**;
- that Futures and Options transactions are **not "set and forget" transactions** but need to be continually managed by the Trader;
- that general **Investment Experience** is essential and that the Futures and Options markets are no place for the in-experienced investor;
- that Futures and Options Traders have the **commercial acumen** to understand how the markets operate;
- have a complete **awareness of the Risks and Rewards**, in particular that some strategies can entail <u>limited rewards but substantial or unlimited risk</u>.

In summary, the Futures and Options markets are only suitable for investors with a sophisticated knowledge of financial products and services and should only be undertaken as part of a diversified portfolio of investments.

HEDGING AND BASIS RISK

The use of the Futures and Options market to hedge a risk in a related physical market will involve "basis risk", which refers to the possibility that the Futures or Options positions may not move perfectly in line with the physical market. As a result, the Futures and Options positions cannot be expected to perfectly hedge the risk in the physical market.

FUTURES AND OPTIONS STRATEGIES

Clients must discuss the particular Futures and Options strategies that they propose to trade with their Adviser to ensure that they have a full understanding of the potential risks and rewards and other parameters of the strategy.

Clients should note that Bell does not provide any support or advice in respect to any third party trading system used by the Client, and Bell is not responsible for the effectiveness of any such trading system. Clients should be aware of the risk and rewards of any trading system used, the potential margin obligations of such trading strategies and have a risk management strategy in place in the event of an adverse movement in the underlying market. Clients must be aware that any margin obligations that arise as a result of positions held must be funded in accordance with the Client Agreement, and therefore Clients should maintain sufficient excess funds either with Bell or on same day availability to meet any margin obligation that may arise.

While Advisers may conceive trading strategies and make trading recommendations, Clients are responsible for the implementation of any strategy they decide to adopt and for the ongoing management of their Futures or Options open position.

Although discretion can be given as to price and date of execution, Traders' accounts will be handled on a non-discretionary basis unless Bell Commodities and the Client have entered into a separate specifically drawn and written Discretionary Agreement.

Clients should indicate (see question 6 on page 10) the type of strategy in which they are interested and the likely markets and volume in terms of lots of open position so that meaningful dealing limits can be established for the account.

CONCLUSION

Unless the Trader in the Futures and Options market has a Hedging Investment Objective and is simply hedging an exposure in the underlying or related physical market, the Futures and Options markets are only suitable for the Traders who have a **Speculative Leveraged** Investment Objective and whose personal financial circumstances justify such an objective.

Such Traders must have the **liquid funds** to fully collateralise a Futures or Options position and meet further margin calls, which are **surplus to their day to day requirements** and should not be dependent upon income from those funds to meet day to day living or family expenses, business expenses, or to provide for their retirement.

Traders in the Futures and Options markets should only **invest a small proportion of their total net worth** in those markets.

Futures and Option traders need a level of **Investment experience and/or commercial acumen** to fully understand the operation of the Futures and Options markets and the risks and rewards embodied therein. Certainly no Futures or Options strategy should be undertaken which is beyond the Trader's level of understanding.

In short, the Futures and Options markets are only suitable to the investor with a sophisticated knowledge of financial products and services.

RELEVANT PERSONAL CIRCUMSTANCES QUESTIONNAIRE
(CONTINUED . . .)

TRADERS NEED TO HAVE A SPECULATIVE AND LEVERAGED INVESTMENT OBJECTIVE IN ORDER TO TRADE THE FUTURES AND OPTIONS MARKETS AND THAT INVESTMENT OBJECTIVE NEEDS TO BE APPROPRIATE TO THEIR PERSONAL CIRCUMSTANCES.

PERSONAL DETAILS

1. AGE, EMPLOYED/SELF EMPLOYED, PLANNED RETIREMENT

In which year were you born?

Are you employed or self employed?

Have you retired from full-time work? ☐ Yes ☐ No

If working, when do you expect to retire?

2. MARITAL STATUS, PRIMARY INCOME EARNER & DEPENDANTS

Are you single? ☐ Yes ☐ No

Are you the primary income earner in your family? ☐ Yes ☐ No

How many full financial dependants do you have? (eg. Spouse, school aged children, parents etc)

EMPLOYMENT/QUALIFICATION DETAILS

3. EMPLOYMENT

How would you categorise your employment?

- Permanent ☐
- Casual/Part Time ☐
- Self Employed ☐
- Retired ☐
- Home Duties ☐

Other (please specify)

If employed, please provide the following:

Profession/Occupation

Employer

Position

4. QUALIFICATIONS (OCCUPATIONAL, PROFESSIONAL OR ACADEMIC)

5. FINANCIAL MARKETS EDUCATION/SEMINARS/ COURSES

6. FINANCIAL MARKETS SOFTWARE/PRICE INFORMATION OR COMPUTER-BASED SYSTEMS

RELEVANT PERSONAL CIRCUMSTANCES QUESTIONNAIRE (CONTINUED . . .)

FINANCIAL (ANNUAL INCOME AND TOTAL NET WORTH) DETAILS

7. PRIMARY SOURCE OF INCOME

What is your primary source of income?

Business ☐

Salary ☐

Investments ☐

Retirement Assets / Pension ☐

Other (please specify)

8. LIQUID ASSETS

What is the total value of your liquid assets? $

What liquid assets do you hold?

Bank accounts ☐

CMT accounts ☐

Short-term deposits ☐

Listed securities ☐

9. ANNUAL INCOME

What is your Annual Income?

Below $62,500 ☐

Between $62,500 and $125,000 ☐

Between $125,001 and $250,000 ☐

Above $250,000* ☐

10. TOTAL NET WORTH

What is your total net worth?

Below $625,000 ☐

Between $625,001 and $1,250,000 ☐

Between $1,250,001 and $2,500,000 ☐

Above $2,500,000* ☐

11. GEARING

What percentage of your cash deposited into your Futures and Options trading account is borrowed, whether by means of abank overdraft, a margin lending facility or other loan arrangement?

None ☐

Less than 25% ☐

More than 50% ☐

Are you reliant on returns from your Futures and Options trading to meet loan interest commitments? ☐ Yes ☐ No

Are you borrowing against your Family home? ☐ Yes ☐ No

12. PRIMARY BANK ARRANGEMENTS

Bank

Branch/Address

Year of commencement of this relationship

Have you any facilities with this Bank? ☐ Yes ☐ No

If Yes, briefly describe those facilities

RELEVANT PERSONAL CIRCUMSTANCES QUESTIONNAIRE
(CONTINUED . . .)

13. SUPERANNUATION

Do you have any superannuation arrangements? ☐ Yes ☐ No

If Yes, what is the nature of your superannuation?

Public (ie. Commonwealth, State or Municipal) ☐

Corporate ☐

Private (Self Manager Super Fund SMSF or Other) ☐

INVESTMENT AND DERIVATIVES EXPERIENCE

14. CURRENT/PAST INVESTMENT EXPERIENCE

Cash Management Trusts ☐

Money Market ☐

Listed Equities – Australia ☐

Listed Equities – International ☐

Real Estate for Investment ☐

Other (please specify)

15. CURRENT AND PAST DERIVATIVE EXPERIENCE

Commodity Futures and Options ☐

Financial Futures and Options ☐

Equity Derivatives
e.g. Options and Warrants ☐

16. OTHER FUTURES BROKERS

Has the Client maintained, or is currently maintaining, a futures account with another Broker? ☐ Yes ☐ No

If so, please provide the name of the Broker

If account currently held with another Broker, please specify the markets traded, the nature of the positions that have been traded, the lots traded and number of positions held

RISK DISCLOSURE AND CLIENT ACKNOWLEDGEMENT

Please initial as appropriate to signify your acknowledgement and understanding. (If a partnership or joint account all parties must initial)

OBJECTIVES AND STRATEGIES

1. Leverage

The Client has made a decision to participate in the Futures and Options markets to access Leverage and the resultant ability to control a considerably greater quantity of the underlying cash (or physical) market than would be the case were the same amount of capital to be invested in the cash market.

Acknowledged and Agreed

The Client understands, first, that although the potential exists to make a higher return from a smaller initial outlay than investing directly in the underlying market, Capital Risk can vary greatly from a fixed premium in the case of a bought Option to unlimited Capital Risk for Futures or naked granted Options, second, that all Derivatives are subject to the market risk of the underlying cash market as well as the risks of the Futures and Options market as a result of the volatility of that market and that, third, a small movement in the underlying cash market can have a proportionately larger impact on the value of the Futures or Option, and, fourth, that Futures and Options are very short term investments and, in the case of Options, are a wasting asset in that they suffer from time decay as they move towards expiry.

2. Risk

The Client **acknowledges** that the Capital Risk in trading Futures/granted Options can be substantial.

Acknowledged

The Client **acknowledges** that they could sustain a total loss of the capital held in the account, that potential loss could exceed available account capital, and that any shortfall in funding obligations must be met with the remittance of additional funds within a 24-hour period or on the same day of being called as required by Bell Commodities.

Acknowledged

The Client further **acknowledges** that additional funds required may be substantial and they have risk capital reserves available at call to meet potential funding obligations.

Acknowledged

The Client **acknowledges** that trading in Futures, which are deliverable on maturity, requires an obligation to make or take delivery if a position is held at maturity.

Acknowledged

The Client **understands** that the holder of a long position during a delivery period may be delivered upon and must be able to meet all obligations associated with such delivery, including all costs associated with the delivery and any subsequent physical disposal.

Understood and

Accordingly, Clients who are not intending to go to delivery **agree** to exit long positions in advance of the first notice day or the last trading day, whichever first occurs.

Agreed

3. Investment Objectives

Indicate the Objective the Client has in wishing to access Leverage to trade the Futures and Options markets by ticking one or more of the following boxes:

- **Hedging**
  - An existing Share Portfolio (eg Buying Share Price Index Put Options) ☐
  - An existing or anticipated Interest Rate Risk ☐
  - Currency exposures/risks ☐
  - Other Cash Market exposures/risks ☐
- **Outright Trading** (eg Buying or Selling Futures contract outright) ☐

4. Risk and Return, Increase in Volatility and Time Decay Parameters of Futures and Options Strategies

The Client acknowledges that the Client has been provided with the Information in relation to the key parameters of the alternative Futures and Option Strategies as set out in the attached table.

Acknowledged

5. Suitability

The Client **acknowledges** the Client's understanding of the following explanation to the Futures and Options markets:

- that Futures and Options markets are High Risk Speculative markets;
- that Futures and Options markets only provide opportunities for Short Term Investments;
- that Futures and Options transactions are not "set and forget" transactions but need to be continually managed by the Trader.
- that general Investment Experience is essential and that the Futures and Options markets are no place for the inexperienced investor;
- that Futures and Options Traders need to have the commercial acumen to understand how the Futures and Options markets operate;
- that Futures and Options Traders need to have a complete awareness of the Risks and Rewards of the Futures and Options markets, in particular that some Futures and Options strategies can entail limited rewards but substantial or unlimited risk.

The Client further **acknowledges** the Client's understanding that the Futures and Options markets are only suitable for investors with a sophisticated knowledge of financial products and services and should only be undertaken as part of a diversified portfolio of investments.

Acknowledged

Having regard to all of the above, the Client believes that the Futures and Options markets are suitable for the Client.

Acknowledged and **Agreed**

The Client **agrees** not to trade in Futures and Options Strategies outside the Client's level of understanding.

☐ **Agreed**

6. Anticipated Type(s) of Futures Transactions

Strategies	**Tick**	**Anticipated Maximum Open Position (Lots)**	**Exchanges**
Buying/Selling Futures Contracts	☐		
Purchasing Call/Put Options	☐		
Futures Spreads (inter-market, inter-commodity)	☐		
Option Spreads	☐		
Naked Option Writing	☐		
Other	☐		

7. Granting Options

The Client **acknowledges** that the Client is aware that Naked Option Writing entails considerable Risk and that any Written Naked Option positions potentially have unlimited loss.

Acknowledged

RISK DISCLOSURE AND CLIENT ACKNOWLEDGEMENT
(CONTINUED. . .)

8. Risk Management

The Client **understands** that Outright Futures Position Holders and Naked Option Writers are not "set and forget" trading strategies and Traders should have an appropriate Risk Management Strategy in the market or ready to execute, whether it be through the placement of Stop Loss orders, Buying a Put below a Naked Written Put Option or buying a Call above a Naked Written Call Option or just having an exit strategy in mind should the market value of the position move significant against the Client.

Understood

The Client **acknowledges** that the Client is responsible for any such Risk Management Strategy in relation to the Client's Futures and Written Option positions.

Acknowledged

The Client further **acknowledges** that Stop Loss orders will be executed as "market orders" when the Stop level has been breached, and there is no guarantee that the Client will be filled at their Stop price. Market conditions may make it impossible to execute such orders, and may not always limit losses to amounts that you may want.

Acknowledged

9. Terminology of the Futures and Options Markets

Client **understands** the terminology of the Futures and Options markets particularly those required for order placement ie. the alternative types of orders that can be entered in the markets.

Understood

10. Explanatory booklets furnished to the Client:

- Financial Services Guide ☐ Yes ☐ No
- Product Disclosure Statement ☐ Yes ☐ No
- Introduction to Futures and Options ☐ Yes ☐ No
- Privacy Statement ☐ Yes ☐ No
- Corporate Profile ☐ Yes ☐ No
- Other ☐ Yes ☐ No

11. Account Opening Documentation furnished to the Client for Review and/or Execution

- **Account Opening documentation** including: (Non-discretionary) ☐ Yes ☐ No

Account Agreement

Directions regarding Partnership Accounts

Employee Authorisation regarding Corporate Accounts

Deed of Guarantee and Indemnity (Corporate Accounts)

- **For Futures and Options** ☐ Yes ☐ No

How to Read your Futures and Options Trading Statement (Tax Invoice)

12. Other Relevant Details/Comments

ACKNOWLEDGEMENT AND CONFIRMATION

Client Information

I/We confirm that I/we have carefully reviewed the foregoing **Relevant Personal Circumstances**, **Client Acknowledgement** and **Risk Disclosure**, that I/we have clarified anything which I/we did not understand with Bell Potter Securities Limited and that I/we have personally provided the details of my/our Circumstances, declared the Understandings and made the Acknowledgements appearing above, which are true and correct in all respects.

Client Name 1
Signature
Date

Client Name 2
Signature
Date

Client Name 3
Signature
Date

Adviser Name
Adviser Signature
Date

ADVISER'S REVIEW AND CONCLUSION

TO BE COMPLETED BY YOUR BELL POTTER SECURITIES ADVISER

Futures Suitability Statement reviewed on: / /

Reviewed by: (Adviser's Name)

Further inquiries (if any) made of the Client with respect to the Client's Relevant Circumstances

Concluded that the Client's intention to trade Futures is appropriate to the Client having regard to the Client's Relevant Circumstances.

Signed by Adviser

OFFICE USE ONLY

☐ Futures Suitability Statement loaded into Fusion

Please initial below

FUTURES AND OPTIONS STRATEGIES INCLUDING RISK AND REWARD

DESCRIPTION	TYPE OF STRATEGY	EXAMPLE	OUTLOOK	RISK	REWARD	INCREASE IN VOLATILITY	TIME DECAY
Outright Long Futures	Bull	Buy 1 Futures	Bullish	**Unlimited**	Unlimited		
Outright Short Futures	Bear	Sell 1 Futures	Bearish	**Unlimited**	Unlimited		
Long Call	Bull	Buy 1 Call	Bullish	Limited	Unlimited	Helps Position	Hurts Position
Short Call	Bear	Sell 1 Call	Neutral to Bearish	**Unlimited**	Limited	Hurts Position	Helps Position
Long Put	Bear	Buy 1 Put	Bearish	Limited	Unlimited	Helps Position	Hurts Position
Short Put	Bull	Sell 1 Put	Neutral to Bullish	Unlimited	Limited	Hurts Position	Helps Position
Long Straddle	Bull or Bear	Buy 1 Call Buy 1 Put at the same Strike & Expiry	Strong Move in Either Direction	Limited	Unlimited	Helps Position	Hurts Position
Short Straddle	Neutral	Sell 1 Call Sell 1 Put at the same Strike price & Expiry	Strongly Neutral	**Unlimited**	Limited	Hurts Position	Helps Position
Long Strangle	Bull or Bear	Buy 1 Call Buy 1 Put Different Strikes Same Expiry	Strong Move in Either Direction	Limited	Unlimited	Helps Position	Hurts Position
Short Strangle	Neutral	Sell 1 Call Sell 1 Put Different Strikes Same Expiry	Neutral	Unlimited	Limited	Hurts Position	Helps Position
Bull Call Spread	Bull	Buy 1 Call Sell 1 Call at Higher Strike & Same Expiry	Slightly Bullish	**Limited**	Limited	Helps Position	Hurts Position
Bear Put Spread	Bear	Buy 1 Put Sell 1 Put at Lower Strike & Same Expiry	Slightly Bearish	Limited	Limited	Helps Position	Hurts Position
Ratio Call Spread	Bull	Buy 1 Call Sell 2 or more Calls at Higher Strike & Same Expiry	Neutral to Slightly Bullish	Unlimited	Limited	Hurts Position	Helps Position
Ratio Put Spread	Bear	Buy 1 Put Sell 2 or more Puts at Lower Strike & Same Expiry	Neutral to Slightly Bearish	Unlimited	Limited	Hurts Position	Helps Position
Long Butterfly	Neutral	Sell 2 Calls, Buy 1 Call at higher Strike price & Buy1 Call at lower Strike & Same Expiry	Neutral	Limited	Limited	Typically Hurts Position	Typically Helps Position

FUTURES AND OPTIONS STRATEGIES INCLUDING RISK AND REWARD (CONTINUED. . .)

DESCRIPTION	TYPE OF STRATEGY	EXAMPLE	OUTLOOK	RISK	REWARD	INCREASE IN VOLATILITY	TIME DECAY
Short Butterfly	Bull or Bear	Buy 2 Puts Sell 1 Put at higher Strike and Sell1Put at Lower Strike & Same Expiry	Strong Move in Either Direction	Limited	Limited	Typically Helps Position	Typically Hurts Position
Synthetic Long	Bull	Buy 1 Call & Sell 1 Put at same Strike (at the money)	Bullish	**Unlimited**	Unlimited	Neutral	Neutral
Synthetic Short	Bear	Buy 1 Put Sell 1 Call at the same Strike (at the money)	Bearish	**Unlimited**	**Unlimited**	Neutral	Neutral
Long Condor	Bull or Bear	Buy 1 Put Sell 1 Put Lower Strike & Same Expiry Buy 1 Call Sell 1 Call Higher Strike & Same Expiry	Modestly Directional	Limited	Limited	Helps Position	Hurts Position
Short Condor	Neutral	Sell 1 Put Buy 1 Put Lower Strike & Same Expiry Sell 1 Call Buy 1 Call Higher Strike & Same Expiry	Neutral	Limited	Limited	Hurts Position	Helps Position

NOTE: CLIENTS CONTEMPLATING TRADING OPTION STRATEGIES SHOULD CONSULT WITH THEIR ADVISER CONCERNING ASSOCIATED RISKS.

Bull Strategies	Overall, these positions will do better if the underlying market rises.
Neutral Strategies	Overall, these positions do better if the underlying market does not move very much.
Bear Strategies	Overall, these positions will do better if underlying market falls.

Note that increased volatility may result in increased initial margins on both Futures and Option strategies – often at short or limited notice.

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