

# PORTFOLIO ADMINISTRATION SERVICE.

Investment advice, portfolio management and administration

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## CHECKLIST

- Complete the application form included in this brochure.
- Provide details of your investments to be administered by the PAS service. This includes your transaction history relating to your current holdings, which can be completed on the Capital Gains Tax Data Collection form included in this brochure. (For accurate taxation records, we will also need a copy of the original paperwork or a set of your accounts.)
- Open a Bell Potter Cash Account or Cash Management Account. If you do not already have a Cash Account or Cash Management Account please speak to your adviser.
- Complete, sign and have witnessed a Limited Power of Attorney form allowing us to perform the everyday tasks associated with the ongoing administration of your investments.
- If you have holdings to be transferred from an issuer sponsored holding, another account with Bell Potter or another broker please complete the Transfer Authorisation form included in this brochure (the holdings being transferred must be in the same name as the account to which they are being transferred). If transferring Issuer Sponsored holdings, please attach a copy of the most recent statement provided by the registry / CHESS.
- Return all application forms, the Limited Power of Attorney form and any cost history details to your adviser.

Once all the above documentation has been provided to Bell Potter Portfolio Administration Service, we will ensure that your account is set up as quickly and efficiently as possible.

# 1.0 ABOUT BELL POTTER

Bell Potter is one of Australia's leading full service private client stockbroking and financial advisory firms, with 290 experienced advisers specialise in offering a customised service dedicated to achieving individual investment strategies.

Since inception, the organisation's objective has been to offer a complete range of financial products and services, including: stockbroking, research, financial planning, superannuation, portfolio management and administration. Our strength lies in being able to provide focused investment solutions, which meet our client's investment goals: to build and preserve their wealth.

Bell Potter is part of the Bell Financial Group of companies (ASX code: BFG).

## **Specialising in the needs of the private investor**

Our core business is providing tailored investment advice for private clients. Bell Potter's advisers work with their clients to assess their financial goals, and then implement strategies to achieve those objectives. Our personalised approach to investment advice ensures our clients receive the products and services that are most suited to their specific needs.

## **Personal portfolio and investment solutions**

At Bell Potter, we work on the simple principle that no two people are alike; everyone has unique financial needs and our purpose is to provide personalised solutions that best address those needs. Because we are a full service stockbroking firm, our clients receive a comprehensive approach to their investments - rather than just stock selection or execution of orders. Our advisers are highly informed specialists doing what they do best: helping their clients to meet or exceed their financial goals, through careful portfolio construction and comprehensive investment solutions.

## **Professional, comprehensive advice tailored to meet your specific investment needs**

The service that Bell Potter advisers provide is designed to ensure that your specific investment needs are met and that a tailored approach is adopted. Access to quality research is imperative for appropriate stock selection and Bell Potter advisers have the benefit of being able to access research that covers the largest coverage of stocks in Australia and New Zealand. This guarantees you have access to the clearest picture of the investment environment possible, at all times. All Bell Potter clients have access to our highly regarded Research online, through the Bell Potter website [www.bellpotter.com.au](http://www.bellpotter.com.au). As a client of Bell Potter, you are also able to attend our series of seminars, which are run around Australia, helping you to stay informed about your investments and the market as a whole.

# 2.0 INTRODUCING THE SERVICE . . .

Bell Potter's Portfolio Administration Service (PAS) is a comprehensive wealth management service, which incorporates investment advice, trade execution, access to research, portfolio administration and reporting across a wide range of asset classes. It allows you to make more informed investment decisions by providing information about all your investments in the one report. PAS is a service that is available only to private clients of Bell Potter. You appoint us to administer your investment portfolio. However you retain your relationship with your Bell Potter adviser and all decision-making authority.

We take care of all the day-to-day administration associated with your investments – settling and recording transactions, reconciling and tracking income entitlements, managing and processing corporate actions, providing up-to-date and comprehensive reporting of transactions, valuations and tax consequences – while you keep all the benefits associated with owning your own share portfolio.

Your investments continue to be registered in your name, care of our address. Using a special purpose Limited Power of Attorney, we attend to the centralisation of your portfolio including the management of your income and corporate actions. You retain full authority over your cash account, and can continue to draw cheques, make payments and arrange electronic withdrawals.

If we require instructions from you regarding your investments, we will contact you. For most issues such as corporate actions, you can instruct us verbally, however, instructions relating to transfers of funds need to be in writing. You can arrange for periodic payments from your

account, for instance to 'pay' yourself a salary out of your investment income.

All transactions are centrally recorded and reported upon, taking into account not only the cash flows but also the valuation and tax effect of all transactions.

You continue to participate in all corporate actions relating to your portfolio assets including share rights issues, share purchase plans, schemes of arrangement, exercise of options, and retain full discretion over buying and selling shares.

We provide comprehensive reporting each quarter with an additional end of year tax report. The quarterly reports include:

- All transactions;
- All cash flows (for Bell Potter Cash Account and Macquarie Cash Management Account);
- All corporate actions and income received;
- Full asset valuation, including listed and unlisted securities; and
- Realised and unrealised capital gains tax calculations.

**By having assets registered in your name, you continue to receive the benefits of owning the investments, such as dividend and distribution payments (including any applicable franking credits or tax free components), while all the hassles of paperwork and administration are handed to us.**

## 3.0 BENEFITS OF THE BELL POTTER PORTFOLIO ADMINISTRATION SERVICE

# 3.0 BENEFITS

### Administers a full range of investments

The Bell Potter Portfolio Administration Service can administer a wide variety of asset classes. These include full administration and reporting on the following asset classes:

- Cash, bank bills, term deposits, debentures and government bonds
- ASX and NSX listed securities including shares, company options, listed trusts, stapled securities, exchange traded funds and warrants
- Managed funds including retail and wholesale funds
- Direct international equities

These assets do not need to have been purchased through Bell Potter. We are able to incorporate investments originally acquired through other brokers, financial advisers and financial institutions. We are able to transact on these assets on your behalf, irrespective of how you acquired them. We can also record and report on information you provide on client-controlled assets\* including:

- Collectibles such as artwork
- Overseas investments
- Life insurance policies
- Loans
- Real estate
- Other unlisted Investments

By incorporating these assets into the service, Bell Potter can provide you with a complete picture of all your asset holdings.

\*If we record a client-controlled asset for you, we will include and rely on the quantity of units held and valuation most recently notified to us by you in preparing your quarterly and annual reports.

### Centralised portfolio management

Centralising your portfolio management and administration enables you to keep track of all your investments with a single contact point. This ensures you always have a comprehensive view of your asset holdings, helping you make informed investment decisions.

### Comprehensive quarterly and online daily reporting

The Portfolio Administration Service records all your transactions and income as well as corporate actions such as rights issues or term deposit maturities. The PAS administration team will monitor and take care of these matters on your behalf according to your instructions, and report on the outcome.

Each quarter, the Portfolio Administration Service will send you the following reports:

- Portfolio valuation reports, detailing the value of each of your investments;
- Asset allocation, showing your exposure to each asset class;
- Transaction statements, listing all capital transactions (settled and unsettled), cash movements (for Macquarie CMA and Bell Potter Cash Account clients only), income and expenses paid during the period; and
- Realised and unrealised capital gains tax statements for the current financial year.

Several of these reports are updated daily and available to view online at [www.bellpotter.com.au](http://www.bellpotter.com.au).

## Professional administration

We reconcile and track your investments against your entitlements. For instance, we ensure that all of your expected dividends are actually received, and that other entitlements such as access to Share Purchase Plans are made available to you.

We are highly experienced at dealing with share registries, fund managers, fixed interest securities issuers and other third parties, and are able to navigate their various procedures and requirements for documentation.

## A dedicated portfolio administration team

Your adviser is the primary point of contact for all matters relating to your account. Each of our advisers has access to a dedicated Portfolio Administrator who is, in turn, their primary contact for administrative matters.

Our large team of administrators includes specialised staff dealing with corporate actions, managed funds, fixed interest, warrants, options and international securities; over 20 full time staff concentrate on the administration of around \$2 billion in client assets<sup>1</sup>, covering a range of investment types.

Your adviser's assigned administrator attends to all ongoing administrative functions as well as other services such as account reporting preparation and ensuring that all corporate actions are carried out on your behalf, exactly as you instruct.

<sup>1</sup> As at 30 June 2010

## Managing your tax

Your comprehensive portfolio reports summarise the composition of your income and distributions and provide a detailed realised and unrealised capital gains taxation summary. Transferring assets into or out of PAS will not generally realise any capital gains or losses. If all or some of your assets are currently held in a pooled wholesale managed fund environment (ie grouped with other investors), moving these holdings may result in a Capital Gain event. The portfolio reports are constructed to help you take full advantage of any capital gains or losses, prepare your tax return and position your portfolio tax effectively. These taxation reports are sent to you at the end of each financial year.

Our calculations are not tax advice. However, we perform ongoing tax-related calculations, and provide real-time reports. These take into account the effect of mergers, demergers, schemes of arrangement, tax-free and tax deferred trust distributions, capital returns, bonus issues etc. These reports also calculate assessable capital gains under each of the pre-CGT, indexed and discount methods. The effect of these issues is apparent in the realised and unrealised CGT reports, and should assist you in making better-informed decisions.

## End of year tax reporting

Most investors have some investment securities that provide tax effective income. These securities may include listed property trusts, stapled

securities, infrastructure funds, managed funds, and listed warrants.

In many cases the tax treatment of this income is not known until well after the end of the financial year, and is provided to investors in a range of statements from issuers. These statements are typically received from July through to October.

The Portfolio Administration Service tracks all of the income receipts, 'reprocesses' the tax information and provides all the tax information in a single consolidated set of reports with consistent and documented treatment. You or your tax adviser can use this in the preparation of your tax return.

We also update the CGT cost bases of your existing holdings for the effect of tax effective distributions.

# 4.0 HOW DOES IT WORK?

## Administration service

When using the Bell Potter Administration Service, you remain the legal and beneficial owner of your assets (unless the nominee service is requested). However, all correspondence relating to your investments is redirected to Bell Potter's Portfolio Administration department, who will process the associated paperwork on your behalf, leaving you free to focus on your investment strategy.

Your relationship with your adviser and the decision making process will be largely unchanged. You can instruct your adviser regarding any purchase, sale or corporate action, and where required the Portfolio Administration team will complete all the associated paperwork on your behalf, wherever possible. If a new issue becomes available, your adviser will be notified and will communicate this to you. If you wish to participate in a new issue, Bell Potter will organise the paperwork and draw the necessary funding for you from your Cash Management Account. Dealing in managed funds, debentures and fixed interest securities or international shares is handled in the same way.

## Cash account

As the centre of your investment portfolio, the nominated Cash Management Account provides a hub to manage and report on cash inflows and outflows. The Portfolio Administration Service uses the Cash Account to reconcile all cash movements through your portfolio, and as a secure parking spot for your funds as they await investment. You will need to establish a Cash Management Account to start using the Portfolio

Administration Service. The Cash Management Account allows the Portfolio Administration team to reconcile your:

- Dividends
- Distributions from other investments
- Tax payments
- PAS fees
- Pension payments

Clients have the option of using the Bell Potter Cash Management Service, which incorporates a chequebook.

## Dividends, distributions and corporate actions

When you transfer or purchase financial assets, we will provide instructions to the share registry regarding your preference for receiving income. Income from listed securities and managed funds can be directed to your Cash Account or reinvested when a dividend reinvestment plan is offered.

When a company announces a 'voluntary' corporate action, Bell Potter will request your instructions. When required, you will need sufficient cleared funds in your Cash Account to participate in any corporate action. If you hold a fixed term investment (such as a term deposit) we will notify you and seek your instructions prior to the maturity of the investment. Alternatively, you may provide Bell Potter with standing instructions to roll over the investment each time it matures. In all cases, your client adviser will be the person who contacts you. In most cases where new instructions are required in respect of an existing investment, you can provide them with a verbal instruction.

## 5.0 UNDERSTANDING THE FEE STRUCTURE

# 5.0 FEES

### Fee for service

The fees for the Bell Potter Administration Service have been designed so that they are easy to understand, are very transparent and represent exceptional value for the level of service offered.

Fees are charged quarterly in arrears, and are based on the value of your portfolio at the end of the quarter. The minimum investment in the Portfolio Administration Service is \$250,000.

There are two fee options – ‘Fee for service excluding brokerage’ and ‘Fee for service including brokerage’ – as detailed below. You should discuss with your adviser which of these options suits you best.

There are no termination fees associated with the Portfolio Administration Service (although a minimum period may apply), and no entry fees associated with setting up of standard accounts. A fee may be charged if the PAS administration department is required to backdate transactions or research capital gains tax information.

It is important to remember that fees for the Portfolio Administration Service may be tax-deductible in the year in which they are paid. Bell Potter does not offer advice on taxation, however, your personal taxation adviser or accountant can advise you further on this.

### Annual Fee excluding brokerage (all figures are inclusive of GST)

Portion of the portfolio \$0 to \$1 million	0.85%
Portion of the portfolio \$1million to \$3 million	0.55%
Portion of the portfolio in excess of \$3 million	0.44%
Minimum quarterly fee applicable	\$531.25

Please note: brokerage per trade is payable in addition to these fees and should be discussed separately with your adviser. Please refer to our Financial Services Guide (FSG) for typical brokerage rates.

### Annual Fee including brokerage (all figures are inclusive of GST)

Portion of the portfolio \$0 to \$1 million	1.25%
Portion of the portfolio \$1million to \$3 million	0.80%
Portion of the portfolio in excess of \$3 million	0.55%
Minimum quarterly fee applicable	\$875.00

Please note: 20 brokerage free ASX listed transactions per financial year are included in this fee. Once 20 transactions have been exceeded, brokerage, at a rate discussed with your adviser, will be applied.

# 6.0 SETTING UP

### Establishing an account

The establishment of a portfolio within PAS may require the recording of all historical information detailing the acquisition dates and cost base of each individual asset you currently own in order to provide an accurate reflection of the current capital gains tax position of the portfolio.

Upon receipt of your completed PAS application form, you will be sent an initial acknowledgement letter advising that work has commenced on the establishment of your account. Once your account is fully established, we will send you an initial Portfolio Administration report showing your holdings. We ask that you review this to ensure we have correctly taken on the assets you intend us to administer, and have correctly recorded the cost acquisition information for each of your holdings.

Once the account is active you will receive the following on an ongoing basis:

- A quarterly statement, which is generally sent in the month following the end of the quarter;
- An annual statement, which is sent after all tax-effective income is received, reconciled and reprocessed. This may be as early as August or as late as November
- Notification of voluntary Corporate Actions as required.

# 7.0 TERMS AND CONDITIONS

## Corporate actions

Bell Potter will comply with your instructions with respect to any corporate actions, however if we do not receive instructions by the date we nominate, you are taken to have instructed us to allow any entitlement to lapse. Where required, you must have sufficient cleared funds in your Cash Account to participate in any corporate action.

If you have a fixed term investment such as a term deposit, we will notify you and seek your instructions prior to the maturity of your investment. Alternatively, you may provide us with standing instructions prior to the maturity of your investment to rollover the investment each time it matures. If we do not receive your instructions prior to the maturity date, the proceeds will be credited to your Cash Account.

## Reinvestment plans

If you wish to participate in a dividend or income reinvestment plan, you can give us standing instructions relating to any specific asset. We do not accept standing DRP instructions for your portfolio as a whole.

## Ownership of assets

Where possible, Bell Potter will hold all investments in your name and as necessary will act under the Limited Power of Attorney granted to us in order to implement your instructions.

Where this is impractical, we will use our wholly owned nominee company Bell Potter Nominees Ltd or sub-custodians used by it.

## Fees

As a client of the Bell Potter Portfolio Administration Service, you must pay us:

- An administration fee, debited from your portfolio, calculated quarterly in arrears based on your portfolio balance on the last day of March, June, September and December of each year; and
- Any establishment fee and transfer fee that we agree with you (usually depending on the complexity of your initial portfolio)

Unless Bell Potter organises alternative arrangements with you, we will deduct any establishment fee from the monies you initially give us.

We have a standing instruction to pay fees and charges from the relevant portfolio, and if in arrears we may realise assets at such times and on such terms we decide to pay fees and charges. We may offset fees and charges against any amounts payable by us or for us to you.

Our fees are payable until the Portfolio Administration team finalise all administrative and custodial functions on your behalf.

Bell Potter will deduct a fee each quarter, and at the time we finalise the administration of your portfolio (refer to the section titled Termination). If you don't make cash available in your Cash Account, we will be required to sell some of the assets in your portfolio.

For clients who hold managed funds, it is important to remember that the fund managers underlying the service also charge management fees.

Where the fee includes 20 free trades per annum, you will receive 20 brokerage free ASX listed transactions each financial year. Once these transactions have been utilised, brokerage will be charged on subsequent transactions at a brokerage rate advised by you Bell Potter

adviser for the remainder of the financial year.

## Tax and social security

Any investment decision you make will have taxation consequences and if you receive social security, may have social security consequences as well. Bell Potter is not licensed to provide taxation or social security advice.

If you are making investment decisions, we recommend that you seek taxation advice before you buy or sell and remember that capital gains and losses will occur.

The Australian taxation system is complex therefore Bell Potter recommends that you seek advice from a professional taxation adviser if you are unsure as to how our services may affect your individual tax situation.

## Investment Risk

All investing involves risks. The services provided by Bell Potter and detailed in this document provide you with access to investments and are not investments in their own right. The principle risk lies with the chosen investments held through the Portfolio Administration Service.

Generally, investment returns may be influenced by a variety of factors both on a local and global scale. These include changes within the company or managed fund, changes in an asset's market, economic and political conditions, technology failures, interest rate movements, exchange rates, government policy and market sentiment. For managed funds, investment returns are also affected by the performance of the investment managers and their specific investment style. These factors may cause your investments to fall as well as rise and sometimes not generate any income.

Diversifying your portfolio across various companies and across asset classes and investment managers will reduce risk, as does investing over an appropriate timeframe.

As with similar services, the Bell Potter Portfolio Administration Service is dependent on the accuracy and efficiency of our operating and computer systems. Bell Potter takes risk management very seriously and have procedures in place designed to ensure that our systems work effectively.

### Instructions

Instructions provided are subject to the Bell Potter Securities Client Agreement and CHES Sponsorship Agreement. Instructions must be received by us and be in such a form as we require (generally by letter, fax, email or verbally).

Instructions are deemed to have been received by Bell Potter only after they have been acknowledged by a person within the firm authorised to

take instructions (for example your adviser or their assistant).

When you give instructions verbally, Bell Potter is entitled to deal in good faith with any person holding himself or herself as you or your representative, that has been previously or expressly identified in the agreement and application forms. Bell Potter must use reasonable endeavours to act on instructions as soon as practicable but need not do so by a particular time.

Bell Potter may set cut-off times for the receipt of instructions, and may record any instructions in a manner we wish. We may determine the order in which we give effect to instructions from various clients or from the same client if received at the same time, and may give effect to part of one instruction and part of others.

### Trade confirmation

For listed shares, delivery and receipt of securities by Bell Potter will be accepted and executed against Trade Confirmations or any other authorised written instruction from Bell Potter Securities Limited.

A copy of each Trade Confirmation will be forwarded to you for your records, and for other investments we will forward you a transaction confirmation either at the time a transaction is carried out on your behalf or as part of your next statement.

### Lapsing

Instructions will remain in force until:

- Cancelled, if we permit this
- Superseded, if we permit this (we may set limits

on the ability of a later instruction to override a prior one)

Bell Potter need not act on instructions if:

- Bell Potter doubts an instruction's authenticity (we need not form a positive view as to authenticity and will not act if the authenticity is doubted)
- We doubt the authority of any person you have purportedly authorised to give instructions (we need not form a positive view as to authority but must not act if the authority is doubted)
- We suspect that you do not comply with our agreement with you
- Charges are unpaid or we think there is a risk that they will be unpaid
- We suspect that the instructions do not comply with any relevant security, managed fund, or administrative requirement
- We suspect that acting might cause a breach of any law, regulation, ASIC policy, ASX Business Rule or market practice
- Acting would breach any relevant minimum amount we set from time to time
- We suspect that you or any person you authorised (such as your adviser) has not, or may not have:
  - Properly completed such things as we require (such as registering or completing forms)

- Properly completed such things as the law directly or indirectly requires of them (such as an adviser providing an offer document to you)

- Provided such things as we require (such as information)

- Provided reasonable assistance to us to enable obligations to be met

- It is to acquire or accept something which is not an asset which we administer or the asset is suspended
- We are not satisfied as to the meaning of the instruction
- We consider that acting on the instruction would be impractical for some reason
- You have made arrangements which we consider unsatisfactory for payment of any unpaid amounts, or amounts which we consider will become payable, in respect of investment or we, or they suspect these payment might not be made
- You have made arrangements which we consider unsatisfactory for payment of an amount that will become payable in respect of the investment
- Upon receipt of selling instructions there is insufficient stock within the portfolio assets for delivery of the sale
- We are not satisfied that we are indemnified to our satisfaction against possible liability arising from acting on the instruction
- The instruction was

received after our arrangement with you ends

- There are any other circumstances described in our agreement with you or advised from time to time

### Instructions and suspension

If the instruction is to be acted on or is received whilst the operation or offering of the services or any relevant part or related service is suspended, these instructions are then taken to be received when the suspension finishes.

### Termination

You must provide Bell Potter Portfolio Administration Service with two weeks notice if you wish to terminate this agreement and service. Bell Potter will supply you with the same notice period, unless you were to breach this agreement, in which case we can end it immediately.

Upon termination:

- We need not act on any instruction unexecuted at termination or received after termination
- Bell Potter is still entitled to fees and expense reimbursement and indemnification from your portfolio
- We may deduct any monies from the relevant portfolio as our agreement with you or law contemplates, or make a reserve for such payments or any liability.
- Fees on termination will be based upon the portfolio valuation taken from the date at which the portfolio is terminating and calculated on a pro-rata basis from the start of the current quarter up until that date.
- Clients must acknowledge that in some cases it may take longer than two weeks for Bell Potter to

finalise arrangements with certain institutions and fund managers

### Suspension

We may suspend the operation or offering of the service or any part of related service for such period as we consider necessary or desirable, and must advise you if practicable and we consider it necessary.

### Minimum requirements

We can set and change any minimum required value or quantity as a minimum amount for any particular client or groups of clients for:

- Their portfolio;
- The balance in their Cash Account;
- An asset, of class or type of asset forming part of their portfolio;
- A transaction or type of transaction involving their portfolio; or
- Any other item relating to the service

Each client must comply with any minimum amount. Bell Potter has a standing instruction from you to realise any asset of your portfolio that we choose, on terms and at time we choose to ensure compliance with any minimum.

### Death or incapacity

If you die or become subject to a legal disability such as bankruptcy or insanity, only the survivor (where the deceased was a joint holder) or the legal personal representative (in any other case) or any other person determined by us need to be recognized by us as having any claim on your portfolio.

### Notices

Communications to us can be delivered, posted, faxed or emailed to us.

Communications to you can be delivered, posted, faxed or

emailed to your address as most recently notified.

Communications, as distinct from instructions which are deemed to be received from time to time are acknowledged, are taken to be received (as relevant) on physical receipt for deliveries, three days after posting, two hours after the time any transmission report states that the whole fax was sent or (provided the sender has no reason to doubt its receipt) two hours after an email was sent.

It is sufficient for delivery that we send you or any other person you authorise:

- An electronic link to a copy of a communication
- Information indicating where the communication can be accessed
- In the case of joint clients, your physical address or electronic address means the physical address or electronic address of the first named in our records
- A cheque payable to you or a person authorized in writing by you may be posted to your physical address or if we agree, handed to you or any person we have no reason to doubt that you have authorised.

### Indemnities

You indemnify Bell Potter, our related entities (as identified by the Corporations Act) and our delegates against:

- All actions, proceedings, claims, demands, tax, costs, expenses and liabilities arising from anything we or they do on your instructions or under our agreement with you; and
- All direct loss and damage which they and/or we suffer in connection with your breach of our

agreement with you, your and your agent's fraud or negligence, and your or their breach of any law of agreement you or they have with any person relative to the portfolio.

### Indirect loss and acts of God

Bell Potter is not liable for indirect or consequential loss suffered by any person.

In spite of anything else in this agreement, Bell Potter is not liable for any act of God, insurrection, civil disorder, terrorist action, war, military operations, national or local emergency, acts or omissions of government or authority, industrial dispute, fire, lightning, explosion, flood, subsidence, bad weather, failure of power supply, equipments or communication systems or the Internet, or acts of other persons including any delegate or related entity, or any other item outside Bell Potter's reasonable control.

### Your rights

You warrant to us that:

- If you are a body corporate, you validly exist under your place of incorporation and that you have the corporate power to carry on its business as it is now being conducted
- You have the full power and authority to enter into and perform your obligations under this agreement and have done all things to enable this
- This agreement constitutes your legal, valid and binding obligation and is enforceable and
- You are not aware of anything that might adversely impact on any of the items listed.

## Valuations

Bell Potter may cause an asset to be valued at any time. We may determine valuation methods and policies and change them as required.

## Privacy

Bell Potter will not disclose any information to any person or company unless:

- the law requires that it be disclosed;
- it is to your investment adviser;
- it is to enable the service to be provided;
- it is to enable Bell Potter to send you material relevant to the service.

If you receive unwanted material from Bell Potter, please inform us and we will make reasonable endeavours to prevent it from being sent again. Please note that there are a number of written communications that we must send to you by law (e.g. trade confirmations).

If you think our records are wrong or out of date – particularly your address, e-mail address, adviser or any details of your portfolio assets – it is important that you contact us and we'll correct them. You can always access the information we hold about you whenever you require.

There may be information we require before we can open an account for you – you may be ineligible for our service if you refuse to provide us with certain necessary information.

## Tax File Number

The Portfolio Administration Service requires your Tax File Number. Quotation of your Tax File Number(s) is optional however if we are unable to provide your TFN or Exemption to the share registries they may be obligated to deduct tax at the highest marginal rate from any dividends, distributions, interest and

payments. Bell Potter will only use your Tax File Number as the law permits.

## Buying and selling securities

Bell Potter buys and sells securities for many clients, sometimes for a number of clients at the same time in order to achieve economies of scale. We can combine trades, however we will at all times maintain systems and records to distinguish your securities from others.

## Transferring a portfolio

Bell Potter Portfolio Administration clients may transfer their portfolio to another person in whole or in part if Bell Potter permits. Transfers must be in a form acceptable to us and will not be effective until registered. Bell Potter may refuse to record any transfer and need not act on any instruction received after a proper transfer is received. We may act on all instructions prior to this occurring.

## Agents and sub-custodians

Bell Potter may authorise any person to act as our agent or delegate (in the case of a joint appointment, jointly and severally) to hold any asset, perform any act or exercise any discretion within our power, including the power to appoint in turn its own agent or delegate. The agent or delegate may be an associate of ours. Bell Potter may include in the authorisation provisions to protect and assist those dealing with the agent or delegate as we deem fit.

## Liability

Bell Potter are not liable for any losses or liabilities incurred by you in relation to the services or our agreement with you except to the extent that those losses and liabilities arise from our or their own respective gross

negligence, fraud or willful default or are imposed by law that cannot be excluded (otherwise it is excluded).

If Bell Potter acts without gross negligence, fraud or willful default we are not liable in contract, tort or otherwise to clients for any loss suffered in any way relating to the services or our agreement with you unless liability is imposed by law that can not be excluded (otherwise it is excluded). Our liability in contract, tort or otherwise to any person other than you is limited to the extent to which we are actually and properly indemnified from the relevant portfolio.

## Our actions

Bell Potter is not restricted from:

- Dealing with any associate, client or any other person, and retaining benefit from doing so;
- Being interested in any contact or transaction with an associate or with any client or any other person, and retaining for its own benefit any profits or benefits derived from any such contract or transaction;
- Acting in the same or similar capacity in relation to any other service and retaining benefit from doing so;
- Trading on its own account or
- Having an interest or receiving any payment in respect of any investment in your portfolio

Bell Potter may take and may act upon:

- The opinion or advise of counsel or solicitors, whether not instructed by us or the custodian, in relation to the interpretation of our

agreement with you or any other document (whether statutory or otherwise) or generally in connection with the services;

- Advice, opinions, statements or information from any bankers, accountants, auditors, valuers and other persons consulted by Bell Potter who are in each case believed by us or them in good faith to be expert in relation to the matters upon which they are consulted;
- A document which we believe in good faith to be the original or a copy of an appointment by you of a person to act as their agent for any purpose connected with the services; and
- Any other document provided to us not liable for anything done, suffered or omitted by it in good faith in reliance upon such opinion, advise, statement information or document.

Bell Potter is discharged from all obligations in respect of a payment to you if we pay it in good faith or where permissible on behalf of a person who we believe to be entitled to it. Bell Potter may satisfy any payment to you by transfer of assets of the relevant portfolio in place of realising them. Payment of cash or transfer of assets (such as listed securities or units in a managed fund) of an equivalent value to you discharges us from the obligation to pay or transfer those particular cash or assets.

We can decide which order assets of the same type in a portfolio are sold or transferred (for example, first in, first out) and are not liable to you for tax or otherwise for making any such decision.

Where Bell Potter attempts to make a payment to or for you and doubt it will be successful (for example, that a cheque will not be presented or an electronic payment to your financial institution fails or will fail), the amount may continue to be held for you in the cash account or reinvested in the same assets or type of asset.

Persons registered jointly as clients are regarded as holding as joint tenants (not as tenants-in-common) unless we agree otherwise. You are liable for all your obligations under our agreement with you both separately and jointly with any one or more other clients in relation to the relevant portfolio. A payment to any one of joint clients discharges us in respect of the payment.

### Goods and Services Tax

If Bell Potter becomes liable to pay Goods and Services Tax (GST) in respect of any supply under or in connection with our agreement with you or the services (including, without limitation, the supply of any goods, services, rights benefits or things), then (unless we have said that it is GST inclusive), in addition to any fee or other amount or consideration payable to us of them in respect of the supply, we are entitled to be paid an additional amount on account of GST.

We are entitled to be reimbursed or indemnified such amount of GST out of the relevant portfolio.

Such amount to be calculated by multiplying the fee, amount or consideration for the part of the supply, which is a taxable supply for GST purposes, by the prevailing rate of GST. If in our agreement with you or any document offering the services a fee or charge is expressed to be GST inclusive, and GST increases, then the fee or charge may be increased to the

new rate if we so determine. If Bell Potter is not entitled to any input tax credit in respect of any amount of GST charged or recovered from us by any person, or payable by us by way of any supply under or in connection with our agreement with you or the services, we may recover such amount from the relevant portfolio.

### Financiers

If you obtain any financial accommodation from a person – in our agreement with you called the financier – and use that to invest through the services, then Bell Potter may record the financier as the owner of the asset, record the portfolio in or referable to the financier's name, assist the financier to take security, over the relevant assets and/or do such other relevant things as we determine.

We may act on the financier's instructions even if you purport to give conflicting instructions (for example, to realise an asset and pay the proceeds to the financier or as it directs). We are not liable for loss to you for so acting if we act in good faith. Where there is a financier, Bell Potter may delay acting on your instructions until we receive confirmation from the financier that you can so act. We are not liable for loss to you for such delay. We may continue to act on the instructions of the financier until we or they receive confirmation from the financier that the financier no longer has any interest in the relevant assets. We can refuse to act on a client's instruction until we receive such notification from the financier. Bell Potter is not liable for loss to you in this case.

### Commission and fee rebates

Bell Potter can direct its funds (such as that we receive from any fee) towards any purpose that we determine, for example:

- To reward an adviser
- To apply to your account or accounts of a group of clients (often, in the case of fees, called a rebate)

Bell Potter is authorised and may retain and accept for our sole benefit any rebate (as may be authorised under the rules of any stock exchange or other relevant regulatory body) paid to them or us by any broker, dealer, fund manager or underwriter in connection with any transaction for you.

### Agreements

We may exercise our rights and remedies in any way deemed suitable (including by imposing conditions.) If a right or remedy is not exercised in full or at a particular time, it can be done later. Bell Potter is not liable for our exercise of, attempted exercise of, or failure or delay in exercising any right or remedy.

The terms of our agreement may be waived or varied at our discretion, however, must be communicated with you in writing and with reasonable notice ahead of the intended change taking place.

Rights, powers and remedies provided in our agreement are cumulative with and not exclusive of those provided by law independently of this agreement.

We can assign, create an interest or otherwise deal with our respective rights under this agreement without your consent; you need our consent to do this in regulation to your rights.

If part of this agreement (or the application of that part to any person or circumstance) is or becomes invalid or unenforceable, then the remaining provisions of this agreement are not affected and are valid and enforceable to the fullest extent permitted by law.

Any consent under this agreement will not be unreasonably withheld and

obligations must be performed promptly.

You must do or have someone else carry out all reasonable tasks requested by us to give full effect to this agreement and the matters it contemplates.

The law in force in Victoria governs this agreement, therefore Bell Potter and you submit to the non-exclusive jurisdiction of the courts there.

References to this agreement and any other instruments includes variations and replacements, and to a person includes to their executors, administrators, successors, assigns and substitutes (including by novation). References to law include relevant regulations, policy and instruments, and consolidations, re-enactments, amendments and replacements.

A reference to a business day means a day on which banks are open for normal banking business in Sydney and Melbourne other than a Saturday or Sunday.

This agreement is our entire agreement about this subject matter – it supersedes previous agreements, negotiations and discussions on that subject matter, it is however additional to the terms and agreements.

# PORTFOLIO ADMINISTRATION SERVICE APPLICATION FORM



## 1. APPLICANT(S) DETAILS

### INDIVIDUAL 1 OR COMPANY NAME

ACN

ABN

### INDIVIDUAL 2

### INDIVIDUAL 3

### ACCOUNT DESIGNATION

A/C>

### ADDRESS TO WHICH CORRESPONDENCE FROM BELL POTTER SHOULD BE SENT

State

Postcode

Country

## 2. OWNERSHIP STRUCTURE

<input type="checkbox"/> Individual	<input type="checkbox"/> Partnership	<input type="checkbox"/> Super Fund
<input type="checkbox"/> Trust	<input type="checkbox"/> Company	<input type="checkbox"/> Other (please specify)

### 3. CONTACT DETAILS

Contact Name 1	Contact Name 2
Home Number ( )	Home Number ( )
Business Number ( )	Business Number ( )
Mobile Number	Mobile Number
Fax ( )	Fax ( )
Email Address	Email Address

### 4. PORTFOLIO AMOUNT

Initial amount to be deposited in cash	\$
Approximate initial value of assets to be transferred	\$

### 5. CLIENT CONTROLLED ASSETS

Do you wish the Bell Potter Portfolio Administration Service to maintain records for any client-controlled assets?

Yes  No

If yes, please provide complete details of these holdings, including acquisition costs and dates, and current value to your adviser.

### 6. ARE YOU AN OVERSEAS RESIDENT FOR TAXATION PURPOSES?

Yes  No

If yes, please provide the residential address in your country of residence..


### 7. TAX FILE NUMBER

Quotation of your Tax File Number(s) is optional. If we are unable to provide your Tax File Number or Exemption to registries they may be obliged to deduct tax at the highest marginal rate from any dividends, distributions, interest and payments. If the account being opened is for a Super Fund or Trust, please provide the TFN for that entity [the TFNs of the Trustee(s) are not required].

TFN - Individual 1	
TFN - Individual 2	

TFN - Individual 3

TFN - Company, Super Fund, Trust

### 8. FEE SCHEDULE (INCLUSIVE OF GST)

<input type="checkbox"/> Annual Fee excluding brokerage	0.85% on portion of the portfolio up to \$1 million, then 0.55% on portion of the portfolio between \$1 million and \$3 million, then 0.44% on the portion of the portfolio in excess of \$3 million. Minimum \$531.25 quarterly
<input type="checkbox"/> Annual Fee including brokerage (20 free listed transactions per financial year)	1.25% on portion of the portfolio up to \$1 million, then 0.80% on portion of the portfolio between \$1 million and \$3 million, then 0.55% on portion of the portfolio in excess of \$3 million. Minimum \$875 quarterly.
<input type="checkbox"/> Special fee instructions	<input type="text"/>

### 9. AUTHORISED PERSON TO INSTRUCT BELL POTTER ON THIS ACCOUNT

#### Important Information – Bell Potter Third Party Authority Policy

Bell Potter Securities Limited may allow for the appointment of a third party authority. This authorises a person to conduct business with Bell Potter on your behalf including (but not limited to) authorisation of transactions on your account, request of information about the account (eg a copy of tax report), provide instructions on your account and other duties pertaining to the management of your account. Bell Potter's policy is that for individual or joint accounts acceptable third parties can only be an immediate family member, Power of Attorney, person licensed to give advice or an authorised representative of such person - this cannot be a Bell Potter Representative.

For Company accounts acceptable third parties can only be nominated officers/employees.

For nominated employees or Power of Attorney appointments we also require a minute from the company, signed by the director(s) authorising the delegation of power or a certified copy of the Power of Attorney.

Authorised Persons must provide verification of identity in accordance with anti-money laundering and counter-terrorism financing (AML/CTF) regulations (Please complete an Agents of Clients form).

I/We hereby authorise  whose signature appears below to:

- 1 Conduct, on my/our behalf, all transactions between myself/ourselves and Bell Potter Securities Limited.
- 2 Do all things incidental to operating my/our account and conducting transactions on my/our behalf. **This does not include signing power of attorney or authorising payments to third parties.**

This authorisation remains effective until notice of its revocation is received (in writing) by Bell Potter Securities Limited.

Specimen Signature of the Third Party

Relationship to the Account Holder

#### THIRD PARTY CONTACT DETAILS (please complete if contact details are different to the account holder)

Business Number { }	Home Number { }
Mobile Number { }	Facsimile Number { }
Email Address	

**10. PORTFOLIO ADMINISTRATION TRANSFER AUTHORISATION**

(No change in beneficial ownership)

Account Number	HIN stock being transferred to  X
Account Name	
Account Designation	

Please arrange for the following assets to be transferred into the above Portfolio Administration Service Account (please tick the applicable options):

**Issuer Sponsored Holdings to be converted to CHESSE Sponsored Holdings.**  
Please provide copies of the most recent holding statements for each issuer-sponsored holdings you wish to have transferred.

**Stock to be transferred from external broker to the above PAS account (HIN to HIN with external broker)**

Name of broker relinquishing control	
PID of broker relinquishing control	
HIN at broker	X
Registered name and address	

Please transfer my HIN and all the attached holdings to Bell Potter Securities (PID 1543)

Please transfer only the stocks detailed below

Stock Code	Number of Units	Stock Code	Number of Units

Note: this form cannot be used if there is a change of beneficial ownership involved with the transfer of holdings

## 11. DECLARATION

By signing this application form, you represent and warrant that you:

- Have read and understood Bell Potter's Portfolio Administration Service brochure and agree to be bound by the terms and conditions contained in the brochure
- Are over the age of 18 years and not of any legal disability
- Have quoted your/the applicant's tax file number (TFN), Australian Business Number (ABN) or exemption on the basis that we will:
  - comply with the law that authorises and governs its collection, storage, security and disposal, and;
  - apply it to all your/the applicant's investments and interests within the Bell Potter Portfolio Administration Service
- Understand that if you do not provide your/the applicant's TFN, ABN or exemption, then:
  - you will not commit any offence, however
  - tax at the highest marginal rate plus Medicare Levy may be deducted from your/the applicant's income
- Must separately negotiate with Bell Potter terms and fees for the performance of work that is not included in Bell Potter's service brochure
- Agree to the fees to be charged for this service as stated above
- Request that Bell Potter change the address of your HIN and unlisted assets to Care of Bell Potter. Upon termination of this agreement, you request Bell Potter change the address of your assets (including your HIN) to your nominated address.

### INDIVIDUAL 1 OR DIRECTOR

Signature

Print Name

Date (dd/mm/yyyy)

/ /

### INDIVIDUAL 2 OR DIRECTOR/SECRETARY

Signature

Print Name

Date (dd/mm/yyyy)

/ /

### INDIVIDUAL 3

Signature

Print Name

Date (dd/mm/yyyy)

/ /

**Please note that two Directors or a Director and a Secretary must sign. Please indicate if the company is a sole Director/sole Secretary company).**

(Tick if Sole Director)

### ADVISER TO COMPLETE

Client Account Number

Adviser Code

Date Received

Brokerage (inc GST)

Other Instructions



# LIMITED POWER OF ATTORNEY

Account Number
Full Name of Account (including designation)
I/We
Of Address

Grant this power of Attorney in connection with the Portfolio Administration Service offered by Bell Potter Securities Limited ("Bell Potter") or its agents, for the purpose of authorising Bell Potter to undertake all actions and perform all functions which are necessary for it to perform and undertake my/our behalf in connection with the Portfolio Administration Service.

I/We hereby appoint Bell Potter and each officer or employee duly authorised by Bell Potter as my/our agent and attorney ("attorney") with full power and authority to undertake and perform on my/our behalf all actions which are necessary, usual or desirable to enable Bell Potter to perform all of the functions and fulfil all of the obligations which form part of the Portfolio Administration Service from time to time, including without limitation:

- Settlement of all purchases and sales;
- Subscriptions for, transfers of and other dealings in Securities;
- Making application for units in (including initial application), and requesting the redemption of units for, unlisted investments, including managed funds;
- Making withdrawals or debits from my/our nominated Cash Account for payments associated with the operation of this Service;
- Making deposits or withdrawals to my/our bank account;
- Receiving notices from and giving instructions to third parties as necessary or incidental to the performances and fulfilment of all functions and obligations required to be performed by and fulfilled by Bell Potter on my/our behalf in connection with the Portfolio Administration Service; and
- Executing and delivering all documents which are necessary or incidental to the performance and fulfilment of all functions and obligations required to be performed by and fulfilled by Bell Potter on my/our behalf in connection with the Portfolio Administration Service.

This Power of Attorney commences on the date of execution and will continue until the Portfolio Administration Service is terminated in accordance with the Portfolio Administration Service Terms and Conditions set out in the Bell Potter Portfolio Administration Service brochure, or upon notification by me/us in writing.

Please note: this Limited Power of Attorney form cannot be signed under Power of Attorney.

## INDIVIDUAL CLIENTS TO COMPLETE

INDIVIDUAL 1	INDIVIDUAL 2
Signature	Signature
Print name	Print name
Witness signature	Witness signature
Print name of witness	Print name of witness
Date (dd/mm/yyyy)	Date (dd/mm/yyyy)

## COMPANIES TO COMPLETE

Please note that two (2) Directors or a Director and a Secretary must sign. Please indicate if the company is a sole Director/sole Secretary company

Name of company	<input type="checkbox"/> (Tick if Sole Director)
Signature of Director 1	Signature of Director 2/ Secretary
Print name of Director 1	Signature of Director 2/ Secretary
Witness signature	Witness signature
Print name of witness	Print name of witness
Date (dd/mm/yyyy)	Date (dd/mm/yyyy)

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