

i Please note:

- For Joint and Company/Trust accounts, we require up to 3 account holders to complete and satisfactorily pass our ETO Suitability Questionnaires.
- For Self-Managed Super Fund (SMSF) accounts, we require ALL account holders to complete and satisfactorily pass the ETO Suitability Questionnaires. Where there are more than 3 account holders, please repeat one of the additional Suitability Questionnaires found on the ETO forms section of our website.
- Self-Managed Super Funds (SMSF) are limited to Tier 1 access.

1. Applicant Details

1a. Do you have an existing CHESS sponsored Share Trading Account?

<input type="radio"/> Yes	Please provide the details in 1b.
<input type="radio"/> No	Please attach all pages of this Suitability Questionnaire form to your Share Trading Account application.

i The entities applying for the Exchange Traded Options trading account must be identical with those on the Share Trading Account application. An entity cannot have an Exchange Traded Options trading account without a Share Trading account in place.

1b. Existing account details (if applicable)

Username	Trading account number
<input type="text"/>	<input type="text"/>
Account name	Designation – <i>If applicable</i>
<input type="text"/>	<input type="text"/>
Full name of applicant completing questionnaire	
<input type="text"/>	

2. Suitability Questionnaire

Please indicate which levels of access you require.

<input type="radio"/> Tier 1	Allows you to trade Long Puts or Calls and Covered Calls as single leg and rollover Covered Calls using Multi Leg orders. (Complete questions 1 to 10)
<input type="radio"/> Tier 2	Allows you to trade Long Puts or Calls and write Puts or Calls as single or Multi Leg orders. Ratio spreads may be traded over the phone only. (Complete questions 1 to 16)

1. Have you traded Exchange Traded Options before?	<input type="radio"/> Yes – <i>Go to question 2</i>	<input type="radio"/> No – <i>Go to question 6</i>		
2. How many times have you traded Exchange Traded Options in the last 12 months?	<input type="radio"/> 0	<input type="radio"/> 1-2	<input type="radio"/> 3-5	<input type="radio"/> 6+
3. Have you previously written Covered Options (i.e. scrip covered)?	<input type="radio"/> Yes	<input type="radio"/> No		
4. Have you previously written Uncovered Options?	<input type="radio"/> Yes	<input type="radio"/> No		
5. Why do you wish to trade Options? Please refer to the latest ETO Target Market Determination for guidance if applicable.	<input type="radio"/> Hedging/risk management	<input type="radio"/> Income generation		
	<input type="radio"/> Speculation	<input type="radio"/> Other		
If 'Other' please give details	<input type="text"/>			

6. Assuming no public holidays, if your bought put expires in the money on Thursday the 4th, what is the latest day you will need to buy the stock to be delivered.

- Thursday the 4th
- Friday the 5th
- Monday the 8th
- Tuesday the 9th

7. You hold an American call and wish to acquire the stock on the expiry date. Are you able to exercise your call on the expiry date?

- No, American options can only be exercised before the expiry date.
- Yes, American options can be exercised at any time up until and including the expiry date.

8. If you do not want your money option contract to be auto exercised and wish for it to expire worthless on the day of expiry, what action must you take (if any)?

- No action is required as the money contracts will not be auto exercised
- Call the ASX directly
- Buy the underlying stock
- You must contact your broker on the day of expiry before by phone prior to 4:30pm and request your options contract be excluded from auto exercise

9. You buy 100 shares of ABC stock for \$10.00 and sell/write a call with a \$11.00 strike price. ABC stock performs very well and on the day of expiry closed at a price of \$30.00 per share and the call was assigned/exercised.

How much would you to sell/deliver the stock for? (Not including premium received for selling/writing the call).

- \$30.00 per share. The current market price.
- \$21.00 per share. \$9.00 below the current market price. (You bought ABC stock for \$10.00 and will received an additional \$11.00 due to the strike price of the call).
- \$11.00 per share. \$19 below the current market price. (You are obligated to deliver the stock at the strike price).
- \$41.00 per share. \$11.00 above the market price. (You will receive the market price in addition to the \$11 .00 strike price).

10. If you fail to pay for an options position, which is/are examples of actions are available to their broker in order to recover the funds.

- Close out remaining options positions
- Sell stock
- Re-run debit to linked bank account
- All of the above

Tier 2 Trading Applicants

 This section to be completed by Tier 2 applicants only.
Tier 2 trading allows you to place more complex orders such as short calls or puts.

11. If additional margin is needed to cover a position, what actions can your broker take:

- Call you to lodge additional cash or stock
- Automatically lodge additional cash or stock on your behalf
- Sell stock or close existing options positions on your account to recover funds and reduce exposure.
- All of the above

12. All else remaining constant an increase in interest rates will lead to:

- Calls and puts becoming more expensive
- Calls becoming more expensive, puts becoming cheaper
- Puts becoming more expensive, calls becoming cheaper
- Calls and puts becoming cheaper

13. You sell 2 x \$10.00 ABC puts for \$0.50 at 100 Shares per contract. What's the premium received excluding brokerage and fees.

- \$0.50
- \$1
- \$50

14. You hold the below spread over XYZ.

Buy 15 XYZ January \$4.00 Put @ \$1.00

Sell 15 XYZ January \$6.00 Put @ \$2.50

What's is the most likely outcome if an you close (buy) the \$6.00 Put?

- Your margin obligations will increase.
- You will make a loss
- You will make a profit
- You will no longer be required to pay margin

15. You enter the below Spread over XYZ.

Buy 1 XYZ January \$10.00 Put @ \$0.20

Sell 1 XYZ January \$11.00 Put @ \$0.70

What is the net price received or paid for the spread?

- Debit of \$3.25 paid
- Debit of \$0.50 paid
- Credit of \$0.50 received
- Credit of \$3.25 received

16. You sell 1 x \$10.00 call at 100 shares per contract over ABC for a credit of \$0.25, receiving premium of \$25. What is the maximum loss excluding brokerage and fees?

- \$25, the most you can lose by selling an option is the premium.
- \$9.75, If the stock goes to \$0, you will need buy the stock at the strike price of \$10 – \$0.25 premium
- Theoretical losses on sold calls are unlimited as there is no limit on how high a stock's price can go.
- \$0.25, the most you can lose by selling an option is the premium.

3. Signature of applicant

Full name

Date signed – DD/MM/YYYY

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Signature – Must be signed pen to paper with the exception of using DocuSign

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For full details, please refer to the ETO Product Disclosure Statement ("PDS") and the Target Market Determination ("TMD") available on the forms section of our website where you can either download a current version or request us to mail one to you.

Trading Exchange Traded Options (i.e., ETOs, Options) can involve considerable risks. You should only trade Options if you understand the nature of the product (especially your rights and obligations) and the extent of the risks you are exposed to. Before trading in ETO's, you should carefully assess your experience, investment objectives, financial resources, and other relevant issues and carefully consider the PDS available on our website, and the relevant educational booklets regarding Options from the ASX at <https://www.asx.com.au>.

ETO information has been prepared by AUSIEX without taking account of your objectives, financial situation or needs. For this reason, before acting on the information you should consider whether it is appropriate to you, having regards to your objectives, financial situation and needs and, if necessary, seek appropriate financial advice.

How to submit your documents

Once completed and signed, please scan and email the form to

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