



# Registration, Payment, Authorization and Agreement for the license to use The Option 1 Service

On completion please this form please post to PO Box 341 Port Melbourne, Victoria Australia 3207, or or email to: info@option1.com.au.

**Please Note:** It may take up to two (2) weeks to process your application.

Date: \_\_\_\_\_ Referred By: \_\_\_\_\_ Agent: \_\_\_\_\_

Subscriber Name: \_\_\_\_\_

Invoice to: \_\_\_\_\_

Residential Address: \_\_\_\_\_

Suburb: \_\_\_\_\_ State: \_\_\_\_\_ Postcode: \_\_\_\_\_

Postal Address: \_\_\_\_\_

Suburb: \_\_\_\_\_ State: \_\_\_\_\_ Postcode: \_\_\_\_\_

Phone: (H): \_\_\_\_\_ (W): \_\_\_\_\_ (M): \_\_\_\_\_

Email: \_\_\_\_\_ Facsimile: \_\_\_\_\_

("the subscriber")

### I wish to purchase the License to use the Option 1 service.

Please accept payment of \$ \_\_\_\_\_ of total amount

To be debited from my:  Visa  MasterCard  Bankcard

Card No.: \_\_\_\_\_ Expiry Date: \_\_\_\_\_

Cardholder's Name: \_\_\_\_\_ Signature: \_\_\_\_\_

Deposited into the following bank account (the deposit slip must be attached)

Account Name: Option 1 Pty Ltd Bank: National Australia Bank

Branch: South Melbourne BSB: 083 419 Account No.: 548626711

Enclosed as a cheque (made payable to Option 1 Pty Ltd)

### Subscription Conditions:

12 (twelve) consecutive month connection of **\$225.00(GST inc.)** paid on the 15<sup>th</sup> day of each month (Please organize with clearing broker)

Monthly connection fee of **\$225.00(GST inc.)** paid on the 15<sup>th</sup> day of each month (Please organize with clearing broker)

### YOU SHOULD READ THE TERMS OF THE ATTACHED AGREEMENT WHICH GOVERNS THE USE OF THE OPTION1 SERVICE AND ACCESS TO THE WEBSITE RESEARCH UPDATES

Subject to the processing of your application you will be granted access to the Option 1 service after you attend to all the required payments and complete and return this page by email or mail to Option 1 Pty Ltd.

By doing so, you will be bound by the attached terms and conditions both in your use of the Option 1 Service and access to the Option 1 information.

THIS AGREEMENT is made on the \_\_\_\_\_ Day of \_\_\_\_\_

BETWEEN:

Option 1 Pty Ltd, A.C.N. 101875781, PO Box 341, Port Melbourne Victoria 3207 of the one part and "the Subscriber" of the other part.

**WARNING! trading involves risk of loss. In providing the Option 1 service, Option 1 Pty Ltd did not take into account the investment objectives, financial situation and particular needs of any particular person. Before making an investment decision on the basis of the Option 1 system, the investor or prospective investor needs to consider, with or without assistance of a financial adviser, whether the advice is appropriate in the light of the particular needs, objectives and financial circumstances of the investor or prospective investor.**

By signing This, I acknowledge that I have been given an opportunity to read the terms and conditions governing my use of the Option 1 service and my access to the Option 1 information and the risk disclosure statement and FSG and I agree to be bound by those terms and conditions.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Witness

# AGREEMENT for the LICENSING and USE of the Option 1 System

## YOU SHOULD READ THE TERMS OF THE ATTACHED AGREEMENT WHICH GOVERNS THE USE OF THE Option 1 SYSTEM AND ACCESS TO THE SOFTWARE.

The subscriber agrees to purchase a license and to pay the fees associated with the licensing of the Option 1 service being CD rom, basic level training, updates, reports and all trade information are supplied under license from Option 1 Pty Ltd to the Subscriber on the following terms and conditions.

### 1 Definitions

- 1.1 In these terms and conditions the following expressions have the following meaning unless the context dictates otherwise.
- a Option 1 means Option 1 Pty Ltd (ACN.101 875 781) of 105 Douglas Pde Williamstown, Victoria, Australia 3016
  - b "The Subscriber" means the Subscriber whose name, address and details are set out in the order form.
  - c "The Option 1 Service" means the CD Rom, training, General advice and strategies offered via the website developed and supplied by Option 1 Pty Ltd to its subscribers. This also includes new versions, modifications, updates, upgrades and new releases to the Option 1 service and associated and Derived information.
  - d "Derived Information" means all daily updates and other information which is made available to the subscriber via the Option 1 system.
  - e "Options" means the exchange traded options as quoted on the Sydney Futures Exchange (SFE), Australian Stock Exchange (ASX) and other International Exchanges as provided for within the Option 1 service.
  - f "Warrants" means standard and fractional equity warrants as quoted on the ASX.
  - g "Shares" means a basic unit of ownership known as an ordinary share of a publicly listed company quoted on any Exchange.
  - h "Subscription Period" means the 30 day period of the use of the Option 1 system provided with the Subscribers unlock code and any multiple of those 30 day periods paid for by a subscriber.
  - i "License" means a license to use the Option 1 service subject to the terms and conditions of this agreement.
  - j 'Prescribed person' means a person employed by or associated in a professional capacity with a 'prescribed organization', defined as a stock broker, bank, finance company, insurance company, fund manager or any company or organisation who is engaged in buying and selling of shares, warrants or options. A person is not a prescribed person if they are employed by a prescribed organization in a capacity not directly related to the trade of the organization, providing also that the information obtained by the subscriber is not otherwise available to the benefit of the organization. A person is also not a prescribed person by reason only of their membership of a superannuation fund or insurance company, or due to their trusteeship of a self managed superannuation fund restricted in membership to the subscriber and the subscriber's immediate family.
  - k "training " includes training in the use of the Option 1 Service in trading one or more options, shares, warrants , futures and related topics such as money management.
  - l. A Clearing Broker" means the party appointed by Option 1 and the Client to provide clearing and settlement services to the client.

### 2 Terms of this Agreement

- 2.1
- a This Agreement will commence on the date upon which both the signed Registration and Payment Authorisation Form and payment are received by Option 1 Pty Ltd from the Subscriber.
  - b. This Agreement will continue until terminated in accordance with the terms and conditions of this Agreement.
  - c. The Subscriber agrees to pay Option 1 Pty Ltd:
    - i a fee for the License ;and
    - ii connection fees and performance fees applicable and in the manner specified in this Agreement.
    - iii fees for the provision of training, other than the included basic training.
  - d. All amounts payable by the Subscriber under this Agreement do not include applicable taxes (including, without limitation, sales, goods and services and value added taxes), fees and duties.
    - i The Subscriber must pay to Option 1 any amount which is payable by Option 1 Pty Ltd on account of goods and services tax, value added tax or any like tax ("GST") on any supply made by the Subscriber under this Agreement. This amount must be paid by the Subscriber at the same time as the payment of any fees on which the GST is calculated, or if this amount is not calculated on consideration, the Subscriber must pay the amount within 7 days of receipt of a written demand from Option 1 Pty Ltd.
  - e. Connection fees payable by the Subscriber must be made in advance.
  - f. The costs and fees may be varied in accordance with the terms and conditions of this Agreement.
- 2.2
- a The Subscriber declares that they are not a "prescribed person"
  - b The subscriber agrees that The Option 1 Service will be used personally using a dedicated broker account and will not disclose, divulge or use any information derived from The Option 1 Service or results of The Option 1 Service to any non-Subscribers, or unauthorized persons. Will not trade using non recommended broker, or third party without Option1 consent. In addition, the Subscriber agrees that it cannot transfer any of its rights or

obligations under this Agreement, without prior written consent of Option1

- Users agrees that it has no entitlement to a refund except as set out in clause 2.5.
- 2.3 Option 1 Pty Ltd reserves the right to terminate any license immediately, or refuse to issue a license or to refuse to supply daily updates to any person who is working with, employed by or associated with a prescribed person in a way that is to the detriment of Option 1 Pty Ltd as determined by Option 1 Pty Ltd.
- 2.4 Option 1 Pty Ltd is the holder of an Australian Financial Services License No. 225380 as required by the Corporations Law.
- 2.5 In the event that for whatever reason Option 1 Pty Ltd determines to cancel this Agreement and advises the Subscriber within 14 days of the date of this Agreement, then the Subscriber shall be refunded any monies paid less administrative costs, training material and support costs being 25 percent of the contract price (less any credit charges incurred) provided they advise Option 1 Pty Ltd in writing of their request for this refund within 30 days of the date of this Agreement. No refunds will be given after this 30 days period has expired.
- 2.6 The Subscriber shall only be entitled to access the Derived Information from the futures and derivatives that have been selected by The Option 1 Service, or provided by Option 1 Pty Ltd and that have been approved by Option 1 Pty Ltd for the use by the Subscriber. To ensure the effective performance of The Option 1 Service, the Subscriber accepts that the tradeable instruments, indices, derivatives provided for them may not always be available for them.
- 2.7 **Activity** The subscriber or Option1 may suspend access to the service if the subscriber has no trade activity; notice prior to the 15<sup>th</sup> of the month (the access period) should or will be given by either party.
- 3 License to use the Option 1 Service**
- 3.1 The Subscriber acknowledges that it will receive a copy of The Option 1 Service from Option 1 Pty Ltd in object form only together with sufficient user reference materials and documentation to enable the Subscriber to use The Option 1 Service and only after payment is received and funds are cleared. The subscriber is granted a non-exclusive, non-transferable license agreement to use the Option 1 system.
- 3.2 The Subscriber may make copies of the "how to use" and "training" material of The Option 1 Service only as is sufficient for its own private use and for back up purposes.
- 3.3 The Subscriber will be responsible for the installation and testing of The Option CD rom on its own systems.
- 3.4 Option 1 Pty Ltd may, at its discretion not be liable to supply all the support services in all locations to the Subscriber as described in its written material. The Subscriber acknowledges that Option 1 Pty Ltd may not be able to supply all the agreed support services in all locations, in particular remote locations, except where direct dial-in to the Option 1 System is available to Option 1 Pty Ltd.
- 3.5 The Subscriber must not reverse engineer, disassemble or decompile any part of The Option 1 website or CD or assign, license, loan, or rent The Option 1 Service or the documentation to any other party.
- 3.6 While every care is taken by Option 1 Pty Ltd to ensure the accuracy of the information and the Option 1 Service, the Subscriber acknowledges that use of The Option 1 Service is entirely at the Subscribers own risk. To the extent permitted by applicable law, Option 1 Pty Ltd is not responsible for any adverse consequences arising out of use of The Option 1 Service; neither does Option 1 Pty Ltd warrant that The Option 1 Service is completely error free.
- 3.7 The Subscriber acknowledges that Option 1 Pty Ltd do not have control over external factors concerning the delivery and receipt of The Option 1 Service and derived information, including the daily update. These external factors include without limiting the generality of the foregoing the Telecommunications system, the Internet Service Provider (ISP), the modem used to connect to the Internet and the computer system and all related equipment.
- 3.8 Option 1 will do everything, which is reasonable necessary to ensure that data is provided as quickly and efficiently as is reasonably possible. The Subscriber acknowledges that for external reason beyond the control of Option 1 Pty Ltd, circumstances may necessitate the discontinuation of services to the Subscriber. Without limiting the generality of the foregoing such circumstances may include the incapacity of the Option 1 Pty Ltd dedicated server, Subscribers ISP to enable sufficiently rapid transmission of computer software and data.
- 3.9 The Subscriber will be responsible for the costs of access to the ISP engaged by the Subscriber.
- 3.10 The Subscriber acknowledges that Option 1 Pty Ltd are not responsible for any damage or loss whatsoever arising from any error, malfunction, or breakdown of the Subscriber's internet service.
- 3.11 The Subscriber acknowledges that the copyright and any other intellectual property rights in The Option 1 Service (including without limitation, in patents, trade marks designs) whether registered or unregistered enures for the benefit of Option 1 and will remain owned absolutely by Option 1 Pty Ltd. Any training and other material prepared by Option 1 Pty Ltd also remain at all times the property of Option 1 Pty Ltd. The subscriber agrees not to do anything to breach the owner's copyright and any other intellectual property rights in The Option 1 System or in the other materials.

- 3.12** The Subscriber acknowledges that The Option 1 Service is an analytical service providing an analysis of selected international indices, international options, international futures and international commodities (and selected other securities or derivative products as may be analysed from time to time).
- 3.13** The Subscriber agrees that Option 1 Pty Ltd may add to The Option 1 Service or discontinue or alter The Option 1 System at its discretion, and without obligation to furnish reasons to the Subscriber for such changes, which may occur at the end of the periodic subscription period. Option 1 Pty Ltd also reserves the right to change the terms, charges or level of access to The Option 1 Service at any time for the next periodic access period for the Subscriber. At least one (1) month's notice shall be given to the Subscriber in relation to any such change being implemented.

#### **4 Access to The Service**

- 4.1** The Subscriber acknowledges that Option 1 Pty Ltd obtain data from third party suppliers and other relevant exchanges or bodies which are necessary to supply the Derived Information and which are necessary for the operation of The Option 1 Service. Option 1 Pty Ltd will not be liable to the subscriber for any failure to supply the Derived Information or any failure in the operation of Option 1 System where that arises as a result of any non supply of the necessary data from the appropriate carrier's.
- 4.2** Option 1 Pty Ltd agrees to provide the Subscriber with The Option 1 service or access to it by the Internet or by other media. The Subscriber will be responsible for the provision of all computer or other hardware and software necessary to install use or access The Option 1 Service and the Derived Information and to gain access to functions provided within The Option 1 Service. All maintenance of that computer or other hardware and software is the responsibility of the subscriber.

#### **5 Limitation of Liability**

- 5.1** Except as otherwise specifically provided in these terms and conditions and to the extent permitted by applicable law, all terms, conditions, warranties, undertakings, inducements and representations of any kind (whether expressly or implied) relating in any way to The Option 1 System are expressly excluded from this Agreement.
- 5.2** If by operation of law, any term, condition or warranty cannot be excluded, the liability of Option 1 Pty Ltd for breach of that term, condition or warranty is limited at their option to the repair or replacement of goods or the cost of having them supplied again (where the breach relates to goods), or the resupply of services or paying the cost of having services resupplied (where the breach relates to services)
- 5.3** The liability of Option 1 Pty Ltd and their suppliers, carriers or business partners arising in any way out of any matter in connection with this Agreement (whether based on an action or claim in contract, equity, negligence, tort or otherwise) will not exceed in aggregate the amount of the fees paid to Option 1 Pty Ltd by the Subscriber up to the time that liability is incurred.
- 5.4** To the extent permitted by applicable law but subject to clause 5.3, neither Option 1 Pty Ltd nor any of their suppliers, carriers or business partners will be responsible for, or liable in any way (whether based on an action or claim in contract, equity, negligence, or tort or otherwise) for any damages or loss of any kind whatever sustained by the Subscriber arising from the loss of use or any failure or interruption in the operation of The Option 1 System or for any loss of profits, incidental, indirect or consequential losses, expenses, damages or any other liabilities and costs arising in any way out of this Agreement, even if Option 1 Pty Ltd has been advised of the possibility of those damages.
- 5.5** The Subscriber acknowledges that use of The Option 1 Service is at the Subscriber's sole risk and Option 1 Pty Ltd is not responsible for any adverse consequences arising out of the use of The Option 1 Service. Option 1 Pty Ltd believe that all information contained in The Option 1 Service is accurate and reliable, but gives no warranties whatsoever of accuracy or reliability of such information to the Subscriber or to any third party. To the extent permitted by law, no responsibility for damages or loss arising from the use of or results obtained from material supplied by Option 1 Pty Ltd.

#### **6 Warranty**

- 6.1** Option 1 Pty Ltd warrants that The Option 1 website when properly used in conformity with the documentation, training and on an appropriate computer system will perform substantially as specified in the documentation, when operated in an entirely year 2000 compliant environment.

#### **7 Default and Termination**

- 7.1** The Subscriber agrees that Option 1 Pty Ltd may immediately discontinue its services or revoke access to The Option 1 Service in the event of a breach of any of the terms of conditions of use, including failures to pay connection fees or performance fees.
- 7.2** The Subscriber agrees to provide Stock Broker details and financial information concerning its trading activities including account details if requested to do so by Option 1 Pty Ltd. The subscriber agrees that Option1 Pty Ltd may request this information direct from the broker.
- 7.3** This Agreement remains in force for a period of 90 days from the date of this Agreement and for any period of connection paid in full by the Subscriber subject to the terms and conditions of this agreement for The Option 1 System.
- 7.4** This Agreement remains in force for any subscription period that is paid for in full by the Subscriber.
- 7.5** Front running Option1 recommendations, where an Option1 client adjusts his ask or bid price inside the Option1 recommendation to fill his order in front of the collective group will result in termination of the license agreement.

#### **8.0 Severance**

- 8.1** In the event that any provision, clause or part of a clause of this agreement is held to be unenforceable or unlawful then that provision, clause or part of a clause shall be deemed not to form part of the Agreement and shall be severed from the Agreement and the agreement shall be read as if that provision, clause or part of a clause did not form part of this Agreement.

#### **8 Upgrades**

- 9.1** Subscribers are entitled to any updates and upgrades or modifications of the existing version of The Option 1 Service to which their license relates. However, if a new version of The Option 1 Service is released for analysing the and providing information to the Subscriber, the Subscriber will be required to take up the new version prior to or at the expiry of their existing subscription period or license under this Agreement.

#### **9 Risk Disclosure Statement for The System**

The Subscriber Acknowledges and Agrees that;

- 9.1** The information contained in The Option 1 Service and all supporting material is provided for the Subscriber's personal information only. Every care is taken to ensure the accuracy of the daily data supplied to Subscribers and that The Option 1 Service will operate substantially as described. No liability is accepted for any loss incurred by Subscribers or other persons in reliance on such information whether by reason of error, omission, negligence or otherwise.
- 9.2** Option 1 and individuals may have interests, financial or otherwise in the acquisition or disposal of instruments of the class monitored by The Option 1 Service.
- 9.3** Trading in derivatives is not an investment. Any funds used to trade derivatives are at risk and may be lost, be aware that the Subscriber may lose more than their initial capital.
- 9.4** The use of The Option 1 Service without reading our basic training is not recommended as The Option 1 Service provides a variety of information that need basic training to effectively interpret. See manual and the resources section of the website.
- 9.5** In providing a license to use The Option 1 Service, Option 1 Pty Ltd did not take into account the investment objectives, financial situation and particular needs of the Subscriber.
- 9.6** Intending subscribers should satisfy themselves that The Option 1 Service is suitable and appropriate for their purposes. Please note, that past performance is no guarantee of future success. The advice of an appropriately qualified person such as a financial adviser should be obtained before risking any time, money and effort in any venture.
- 9.7** Intending Option 1 subscribers obtain information about the futures market and the options market. It is recommended that intending Option 1 subscribers obtain information booklets from the ASX on derivatives and are expected to be familiar with basic information. The issue of a license to use The Option 1 Service is not to be taken in any way as providing a warranty to subscribers that The Option 1 Service is suitable for use by them.
- 9.8** Before making any decision on the basis of The Option 1 Service, the Subscriber needs to consider, with or without the assistance of a securities adviser, whether these decisions suit the objectives and financial circumstances of the Subscriber.

#### **10 General Provisions**

- 10.1** This Agreement constitutes the entire Agreement between the parties.
- 10.2** This Agreement may not be modified except by written agreement signed by both parties.
- 10.3** A party shall not be deemed to have waived any of its rights under this Agreement unless such waiver is in writing signed by that party. This Agreement will be governed by Laws of Victoria. The parties irrevocably and unconditionally submit to the non-exclusive jurisdiction of Victoria.

#### **10.4 Commissions**

Option1 may receive or pay commissions to or from brokers or agents in return for services. These commissions may be up to 10% of the gross commission paid.

#### **11 Connection fee.**

\$225 per month (includes gst). This fee will apply to all active subscribers & be paid on the 15th of each month, in advance.

#### **11.1 Performance Fee**

Will be implemented for all trading accounts and will only be effective on months returning a positive gain. This will be a Performance fee of 10% (plus gst) of all monthly gains measured at the end of each month using the Net Liquidating Value (NLV) and paid within the 1st week of the following month. If any month does not have a positive return then, No performance fee is applied. The Fee will only apply when a trading account returns greater than \$250 for the month. The Performance Fees for trading accounts over \$150,000 are at 15% (plus gst) of any positive gains for the month. If any month does not have a positive return then, No performance fee is applied.

#### **11.2 Fees general**

The Client hereby instructs and authorises the Clearing Broker to pay Option 1 all fees from the Client's account upon receipt of a statement from Option 1, without any requirement on the part of the Clearing Broker to review or verify that statement. The Client and Option 1 hereby agree to hold the Clearing Broker harmless from any claims associated with the payment of fees from the Client if the payment is subsequently shown to be in error. Option1 will remedy any errors with the client.