

8.4 The client acknowledges that the Broker cannot identify their investment objectives, financial circumstances and particular needs in the absence of a completed client profile and agrees that it is the client's obligation to complete such profile and advise the Broker if any of its contents change.

8.5 The client acknowledges and agrees that it is their responsibility to ensure that they complete and that the Broker receives a current financial profile of their financial position in the event that they wish to receive personal advice.

9 Trading Generally

9.1 The client may instruct the Broker to deal on behalf of the Account provided there are sufficient Cleared Funds or Cleared Financial Products in the Account (or, if a Loan Account, provided the Margin Lender authorises the sale or purchase of an amount of Margin Financial Products) and such amounts comply with the requirements set out in the E*TRADE Australia Website. The client also agrees that a Margin Lender may give the Broker or E*TRADE Australia instructions to sell any Margin Financial Products, and that any such instruction will be taken to have been given by the client for all purposes. The client may not amend or withdraw any such instruction by the Margin Lender.

9.2 All Financial Products trading transactions between the client and E*TRADE Australia are subject to the Corporations Act, the ASX Business Rules, the SCH Business Rules, the customs and usages of the ASX and the SCH and the terms and conditions set out in the contract note issued by E*TRADE Australia and defined in ASX Market Rules 7.9.1(b) (i), (ii) and (iii), in relation to each transaction.

9.3 Each order instruction provided to the Broker or E*TRADE Australia is given with the intention that it will be transmitted to the market for execution.

9.4 The client warrants that all orders placed and any trade conducted by it is lawful.

9.5 The Broker and E*TRADE Australia reserve the right not to accept and/or to remove without notice any order that in its sole discretion considers may detract from an orderly market or which it believes is manipulative.

9.6 The client acknowledges that any order placed will remain open until cancelled by the client, by the Broker's settlement and clearing agent in accordance with these Terms or purged by ASX SEATS.

9.7 The client acknowledges that the Broker and E*TRADE Australia do not accept responsibility for reinstating lapsed orders or for contacting the client to seek new instructions.

9.8 You acknowledge that the ASX has the power under ASX Market Rule 15.8 to cancel or amend, or to require

E*TRADE Australia to cancel or amend, market transactions or crossings.

10 Cancellation of trades

10.1 The Broker and E*TRADE Australia reserve the right to cancel trades pursuant to or as contemplated by ASX Market Rule 15.8 without the client's consent.

Execution & Settlement

11 Acknowledgements

11.1 The client acknowledges that

- a) the Broker utilises the execution and settlement services of ETRADE Australia Securities Ltd (ABN 93 078 174 973, Australian Financial Services Licence No. 238277). (referred to as "E*TRADE Australia").
- b) The client will execute a Sponsorship Agreement with E*TRADE Australia.
- c) E*TRADE Australia will not provide the client with any legal, tax, financial or accounting advice or advice regarding the suitability or profitability of any Financial Product or investment and, to the extent permitted by law, will have no liability (including for any negligence) with respect to the transactions (including any diminution in value) in or for the client, the Account and the client's investment decisions;
- d) E*TRADE Australia does not operate discretionary accounts;
- e) where the client has elected to receive contract note details by electronic means only, the client accepts that the conditions set out in ASX Market Rules 7.9.1(b) (i), (ii) and (iii) apply; and
- f) where the client provides the Broker or E*TRADE Australia with Tax File Numbers, these numbers may be passed on to the provider of the Bank Account, E*TRADE Australia and share registries with whom the client holds Financial Products;
- g) E*TRADE Australia or the Broker may at its sole and absolute discretion close the Account or refuse instructions to purchase or sell financial products on behalf of the client or cancel any order or trade or generally prohibit or restrict the Broker's ability to trade Financial Products in or from the Account without providing any reason for doing so. E*TRADE Australia will notify the client of any such refusal or Account closure as soon as is practicable; and
- h) Without limiting clause 11.1 g) E*TRADE Australia may refuse to accept instructions from the client to buy or sell Financial Products unless the client has met the Account opening requirements set out in the Terms and on the E*TRADE Australia Website, and if the client has a Loan Account, unless the client has met the Margin Lender's requirements in relation to

the margin loan facility.

11.2 The client acknowledges that certain orders at E*TRADE Australia's sole discretion may be subject to manual review and entry (and if the client has a Loan Account, approval by the Margin Lender) which may cause delays in the processing of the client orders. The client acknowledges that the order will be executed at the price available on the ASX (subject to any limit imposed by the client), which may be different from the price at which the Financial Product is trading when the client order was entered on to the Service.

11.3 The client acknowledges that E*TRADE Australia uses Automated Client Order Processing, which may involve the matching of the client's order with an opposite order from another of its clients or with E*TRADE Australia when it deals as principal. The client agrees that where a client order is matched with an opposite order from another of its clients, E*TRADE Australia is entitled to charge brokerage to both parties to the transaction.

12 Bank Account

12.1 The client may complete an Application, to request E*TRADE Australia to open a Bank Account. E*TRADE Australia reserves the right to refuse or decline any Application in its absolute discretion.

12.2 The client acknowledges that E*TRADE Australia will open a Bank Account as trustee of the client subject to these Terms and the client agrees that E*TRADE Australia is entitled to be indemnified from the Bank Account in respect of any Claim or Loss suffered by E*TRADE Australia as a result of any breach by the client of these Terms and E*TRADE Australia shall not be liable for any Loss suffered by the client as a result of the default of any financial institution or service provider in relation to or in connection with any transactions in respect of the Bank Account.

12.3 Unless transactions on the Account are to be settled by a Margin Lender, the client acknowledges that E*TRADE Australia will open a Bank Account.

13 Electronic Communications

13.1 The client agrees not to contest the validity or enforceability of Electronic Communications between the client and E*TRADE Australia in any legal proceedings between the parties and also irrevocably waive any right to raise any defence or waiver of liability based upon the absence of a memorandum in writing or of a failure of execution.

13.2 E*TRADE Australia may maintain a transaction log consisting of a copy of all instructions received from the client by Electronic Communications. In the event of a dispute, the log will be conclusive evidence of the details of the communications contained in it except in the case of a manifest error. To the extent permitted by law

(including for any negligence) E*TRADE Australia is not liable for any Loss incurred by the client as a result, directly or indirectly, of any inaccuracies or lack of timeliness in the information appearing on the log.

13.3 Neither party is liable to the other for any Loss suffered by the other party due to a force majeure event.

14 Payments

14.1 The client agrees to pay to E*TRADE Australia brokerage, commission, taxes and duties and other fees notified to the client from time to time and as they apply to all matters relating to the Application, the Account, the Bank Account and transactions on behalf of the client and services provided to the client. The client acknowledges that E*TRADE Australia is entitled to require the payment of different amounts of charges and expenses from its clients for the same services and may provide only some services to a select group or class of its clients from time to time in its sole and absolute discretion.

14.2 The client irrevocably authorises E*TRADE Australia to deduct all amounts in respect of purchase orders, brokerage, commission, fees, taxes and duties from Cleared Funds in the Account or in the Bank Account (or, if the client has a Loan Account, to direct the Margin Lender to draw on the client's loan facility with the Margin Lender and remit such amounts to E*TRADE Australia) as required for settlements or otherwise required by the ASX and SCH including brokerage (if any) payable to the Broker and agree to reimburse to E*TRADE Australia upon request all amounts in respect of purchase orders, brokerage, commission, fees, taxes and duties or any other charges levied or imposed in relation to each transaction which remain unpaid.

14.3 The client authorises the Broker in its own right and as agent of the client (by way of instructing E*TRADE Australia) to appropriate, transfer, credit, apply or pay monies that may be received or held by the client or on the client's behalf in payment of amounts that may be outstanding by the client to the Broker or to E*TRADE Australia.

14.4 E*TRADE Australia may appropriate any payments, credits or other sums of money received by the client or on behalf of the client in reduction of any amounts owing by the client to E*TRADE Australia or by the client to the Broker or otherwise (including for buy orders placed by the client), whether on the Account or any other account, and may apply monies held in the Bank Account to discharge any liability arising under the Terms, and may instruct the Banker to transfer monies from the Bank Account (or if the client has a Loan Account, may instruct the Margin Lender to transfer monies from the Loan Account) to E*TRADE Australia for that purpose.

- 14.5 E*TRADE Australia may charge interest on any debit balances in the Account and any other amounts outstanding by the client to E*TRADE Australia as disclosed to the client from time to time.
- 14.6 The client may not close any Account without E*TRADE Australia first receiving all Financial Products which the Account is liable to deliver for sale and all funds to pay in full for all Financial Products which have been purchased on the Account, including all amounts payable to E*TRADE Australia.
- 14.7 All client property other than Financial Products in which the client has an interest or which at any time are in the possession or control of the Broker or E*TRADE Australia, shall subject to the ASX and SCH Business Rules be subject to a lien for the discharge of any and all indebtedness or any other obligation that the client may have to E*TRADE Australia or the Broker. The client must pay E*TRADE Australia or the Broker the costs and expenses of collection of any such indebtedness or debit balance, including but not limited to, legal costs and disbursements.
- 14.8 Subject to the SCH Business Rules, the client authorises E*TRADE Australia or the Broker to sell Cleared Financial Products, as necessary to meet any unpaid debt the client owes E*TRADE Australia or the Broker.

15 Settlement

- 15.1 Where the client instructs the Broker to buy Financial Products, the client agrees to pay and authorise payment for those Financial Products to be deducted from the Available Funds prior to settlement. E*TRADE Australia is not obliged to transfer Financial products to the client where payment for those Financial Products has not been received and, until payment of all amounts outstanding from the client to the Broker or E*TRADE Australia is made in full.
- 15.2 Where a contract for the purchase of Financial Products remains unpaid, after E*TRADE Australia has requested the client to pay for the Financial Products, E*TRADE Australia may sell those Financial Products that are the subject of that contract at the risk and expense of the client and that expense shall include all Loss suffered by E*TRADE Australia including brokerage, and any relevant fees and duties.
- 15.3 If E*TRADE Australia makes a sale of any Financial Products at the direction of the client, and the client have failed to deliver those Financial Products, then E*TRADE Australia is authorised to borrow or otherwise obtain the Financial products necessary to enable E*TRADE Australia to make delivery, and the client agree to be responsible for any Loss E*TRADE Australia may incur, including the cost of borrowing and/or obtaining the Financial products and/or other property. The client agrees that

E*TRADE Australia is the client's agent to complete all such transactions and is authorised to make advances and expend monies as required.

16 Late & Corrected Reports

- 16.1 The client understands that E*TRADE Australia from time to time receives late reports reporting the status of transactions. Accordingly, the client will be subject to late reports relating to orders that were previously unreported to the client or reported to the client as being expired, cancelled, or executed. In addition, any reporting or posting errors, including in execution prices, will be corrected to reflect what actually occurred in the marketplace.

17 Confirmations, Account Statements, Notices & Other Communications

- 17.1 It is the responsibility of the client to review upon first receipt, whether delivered to the client by mail, Electronic Communication or otherwise all confirmations of transactions and all statements in relation to the Account (including the Bank Account). Transactions and all such information received by the client shall be binding upon the client, if the client does not object, either in writing or by Electronic Communication, within 48 hours after the confirmation or information is first received. In all cases, E*TRADE Australia reserves the right to determine the validity of client objections to the transaction or to the information contained in such statements.
- 17.2 Any notice, request, demand or other communication may be made personally, by Electronic Communication or by prepaid letter to the client at the client's last notified address or number, as the case may be, and the notice, request, demand or other communication shall be deemed to have been received by the client if made personally when made, if made by Electronic Communication when there is confirmation of receipt by whatever means, or if made by prepaid letter on the Business Day following transmittal or posting as the case may be.

General

18 Commission Disclosure

- 18.1 The client agrees that each of the Broker and E*TRADE Australia may receive commissions from suppliers of information services, banking services and clearing services in respect to the services provided under this agreement to the client from time to time and that each or either of them is entitled to retain such commissions for its own benefit.

19 Information

- 19.1 The client expressly authorises the Broker and E*TRADE Australia to obtain reports concerning the client's credit

standing and business conduct from the ASX Mutual Reference Society or other sources and authorise the reporting of the client's credit standing and business conduct to the ASX Mutual Reference Society. The client authorises the use and disclosure of information provided by the client to the Broker and/or E*TRADE Australia to the extent required by law or any regulatory authority, to comply with these Terms and in any case where the client gives consent.

20 Fees & Charges

20.1 The client agrees to pay to the Broker on demand all fees, charges and amounts which may have been incurred in consequence of the client's instructions or by reason of the client's default under these Terms, the ASX Business Rules, the SCH Rules or the Corporations Act including but not limited to interest on amounts outstanding as determined by the Broker in its sole discretion or brokerage at the rate of 2% in the event of any late settlements or payment.

21 General Lien

21.1 Subject to the ASX Business Rules and SCH Rules the client agrees and acknowledges the Broker's right to exercise a lien over all property within its possession or control or in the possession and control of its settlement and clearing agent in the event of non or late payment by the client.

22 Indemnity & Disclaimer

22.1 The client agrees to indemnify the Broker and E*TRADE Australia, their employees, contractors and agents to the maximum extent possible at law in respect of all Loss arising in any way whether directly or indirectly from the client's conduct, instructions, orders, default or acquiescence and acknowledges that, to the maximum extent permitted by law, the Broker and E*TRADE Australia accept no liability for any Loss of any kind for any act it lawfully completes or for any loss resulting from delay disadvantage or misinterpretation of instructions or which may arise from the malfunction or disruption of any system or service upon which it relies.

23 Liability And Indemnity

23.1 Subject to those provisions of the Trade Practices Act, the Corporations Act, the Australian Securities & Investments Commission Act, and any other rights implied by law, which cannot be excluded by agreement between the parties:

a) E*TRADE Australia makes no warranties, either express or implied, as to merchantability, fitness for a particular purpose or otherwise (including as to accuracy, currency, availability, completeness of quality) with respect to the goods and services supplied under these Terms, including the Service and the services provided to the client by the Service Providers;

- b) E*TRADE Australia excludes all liability in contract, tort (including negligence) or otherwise relating to or resulting from use of the Service and for any Loss incurred by the client directly or indirectly including without limitation as a result of or arising out of:
- i) any inaccuracy, error or delay in or omission from any information provided to the client under the Terms including the Service and the service provided to the client by the Service Providers;
 - ii) any delays or failures or inaccuracies in the transmission of the Service to the client or service provided to the client by Service Providers, transmission of client orders or instructions or any other communications;
 - iii) any misinterpretation of client orders or instructions which are unclear, ambiguous, incomplete or not specific;
 - iv) any delay, fault, failure in or loss of access to the Service or service provided to the client by the Service Providers or the Broker;
 - v) government restriction, exchange or market rulings, suspension of trading, computer or telephone failure, unlawful access to the Service or the service provided to the client by the Service Providers, theft, sabotage, war, earthquakes, strikes, force majeure and without limitation, any other conditions beyond E*TRADE Australia's control.
 - vi) ASX using its power under ASX Market Rules to cancel or amend, or requiring E*TRADE Australia cancel or amend, market transactions or crossing.
- c) in no event shall E*TRADE Australia be liable in contract, tort (including negligence) or otherwise for any loss of prospective profits, or expenses or special, indirect or consequential damages resulting from use of the goods or services supplied under these Terms, including the Service;
- d) E*TRADE Australia's liability shall in any event be limited to:
- i) in the case of goods, the replacement or repair of the goods; or
 - ii) in the case of services, the re-supply of the services.
- 23.2 The client acknowledges that the ASX, other participating exchanges and Service Providers may assert proprietary interests in the information provided to the client from use of the Service and that neither the ASX, other participating exchanges or the Service Providers guarantee the timeliness, sequence, accuracy or completeness of the information provided to the client from use of the Service.

23.3 The client agrees to indemnify and keep indemnified E*TRADE Australia and all of its officers, employees, agents, related parties and associates against any Loss incurred by them as a result of client use of the Service, E*TRADE Australia relying upon and acting in accordance with any notice, demand or instruction contained in an Electronic Communication or otherwise received by E*TRADE Australia on behalf of the client by the Broker or any failure by the client to strictly comply with these Terms.

23.4 The client acknowledges that the Bank Account into which funds are placed to enable trading using the Service does not constitute a trust account of E*TRADE Australia and that any deficiency or shortfall of moneys in the Bank Account is unlikely to be the subject of a claim upon the National Guarantee Fund pursuant to Part 7.5 Division 4 of the Corporations Act.

24 Severability

24.1 If any provision of these Terms are held to be invalid, void or unenforceable by reason of any law, rule, administrative order or judicial decision, that determination shall not effect the validity of the remaining provisions of these Terms.

25 Variation And Termination

25.1 E*TRADE Australia reserves the right to vary the Terms at any time and may vary the Terms or the terms of the Service by giving the client not less than 5 Business Days notice of the variation, in writing or by Electronic Communication.

25.2 E*TRADE Australia may make a variation without prior notice where such variation is necessary to restore or maintain the security of its systems or any accounts.

26 Privacy

26.1 The Broker and E*TRADE Australia advise that they collect information about the client in order to act on the client's behalf, each as the holder of an Australian Financial Services License. Without this information they, each as a holder of an Australian Financial Services License, may not be able to act on behalf of the client and process and complete any transactions that they effect for the client. The Broker and E*TRADE Australia advise they may:

- a) use and disclose client information in relation to their internal administration and operations;
- b) disclose client information to debt collectors, credit reporting agencies, contractors, service providers, parties authorised and/or required by law to collect client information, and each other as disclosed by the Application or otherwise as disclosed by the client in writing.
- c) use client information to maintain their relationship with the client (and each other as disclosed by the

Application or otherwise as disclosed by the client in writing); and/or

- d) use client information for compliance with relevant legislation and regulations.

26.2 The client may request access to information about the client that E*TRADE Australia or the Broker has collected and retained. Access will be granted in accordance with the Privacy Act 1988 (Cth) and they may charge a reasonable fee for such access. If any client information is inaccurate, the client may request that it be corrected.

26.3 If the client is a company, and the client has provided personal information of an officer or employee of the client to us in respect of the Account, the client must show this disclosure statement to its officer or employee.

27 Complaints

27.1 The client has the right to have any complaints in relation to their dealings with E*TRADE Australia as execution and settlement agent or CHES Participant, considered in a timely manner. If the client has any complaint about the service provided by E*TRADE Australia, the client should take the following steps.

- a) Contact the E*TRADE Australia Team on 1 300 658 355 and tell E*TRADE Australia about the complaint.
- b) If the complaint is not satisfactorily resolved, please forward the complaint in writing to the Compliance Officer at E*TRADE Australia.

28 Parties to the agreement

The client, the Broker and E*TRADE Australia are each parties to the agreement constituted by these Terms and each may enforce any rights it has under these Terms against any other party.

29 Definitions And Interpretation

29.1 In these terms and conditions:

- Account means the client's trading account with E*TRADE Australia.
- Application means an offer by the client to open an Account and access the Service on the Terms.
- ASX means the Australian Stock Exchange Limited, ACN 008 624 691.
- ASX Business Rules means the Business Rules of the ASX, the ASX Market Rules, the Australian Clearing House Pty Ltd ACN 003 435 014 ("ACH") Clearing Rules and the ASX Settlement and Transfer Corporation Pty Ltd ACN 008 504 532 ("ASTC") Settlement Rules as amended from time to time.
- Available Funds means, in connection with a Loan Account, funds which the Margin Lender has agreed to make available to settle the purchase of Financial Products, and in connection with a Bank Account, Cleared Funds.

- Bank Account means the bank account opened by E*TRADE Australia as account holder and trustee identifying the client as a beneficiary.
 - Business Day means any day which is not a weekend or gazetted public holiday in New South Wales.
 - Banker means the financial institution with which E*TRADE Australia opens a Bank Account as account holder and trustee identifying the client as beneficiary.
 - Cleared Funds means funds available in the Account for the purposes of trading (which always must comply with the requirements set out in the E*TRADE Australia website and include brokerage, fees, taxes (including goods and services tax), and all other expenses payable) being the sum of funds in the Bank Account plus funds receivable from unsettled sales minus funds needed to pay for unsettled purchases and minus calculated amounts required to meet open purchase orders and minus funds needed to pay for any withdrawals and any uncleared deposits.
 - Cleared Financial Products means the client's Holding of Financial Products in the Account in respect of which E*TRADE Australia is the Participant under the Sponsorship Agreement or Financial Products in respect of which E*TRADE Australia in its absolute and sole discretion recognises the client as the holder and in respect of which it will become the Participant under the Sponsorship Agreement. It does not include any Margin Financial Products.
 - Electronic Communication means any notice, instruction, demand or other communication by telephone, facsimile transmission, electronic mail or electronic data interchange (including over the World Wide Web).
 - E*TRADE Australia Website means the E*TRADE Australia web site located at www.etrade.com.au or such other location as E*TRADE Australia nominates from time to time.
 - Financial Products means financial products traded on the Australian Stock Exchange and any other exchange notified to the client by E*TRADE Australia from time to time and interests in unlisted managed investment schemes.
 - Loan Account means the account the Margin Lender establishes in the client's name, recording all drawings and payments under its margin lending facility with the client. The Loan Account is not a Linked Account or the Account or the Bank Account.
 - Loan Portfolio means the Financial Products that are mortgaged, charged or otherwise secured in relation to the margin loan facility with the Margin Lender.
 - Loss or Claim includes without limitation any expense, costs, liability, claims, damages, fees, taxes, duties, penalties, interest, legal costs (on a full indemnity basis), judgment, consequential, special or indirect loss or loss of prospective profits.
 - Margin Lender means a provider of loan funds to enable approved E*TRADE Australia clients to purchase or sell Financial Products under a margin lending agreement which is acceptable to E*TRADE Australia.
 - Margin Financial Products means Financial Products which are or are intended to be part of the client's loan portfolio with the Margin Lender
 - Nominated Account means an account at a bank or financial institution nominated by the client which has been established in a name which includes the client's name.
 - SCH Business Rules means the Business Rules of the Securities Clearing House operated by ATSC or ACH as amended from time to time.
 - Service means the client trading and information service provided by E*TRADE Australia which includes the E*TRADE Australia Internet online and telephone services.
 - Service Providers means suppliers of information related to the Service, by persons not controlled by E*TRADE Australia
 - Sponsorship Agreement means the CHES sponsorship agreement entered into between the client and E*TRADE Australia.
 - Terms means the terms and conditions of the Broker and set out herein as amended from time to time.
- 29.2 Headings are for reference only and do not in any way affect the meaning of the Terms. Words expressed in one gender include all genders. The singular includes the plural and vice versa. Unless the context requires otherwise, words defined in the Corporations Act, ASX Business Rules and the SCH Business Rules have the same meaning in these Terms.

Financial Services Guide

About this Financial Services Guide

In this Financial Services Guide ("FSG"), when the terms "we", "our" or "us" are used, it means ETRADE Australia Securities Ltd ("E*TRADE Australia") (ACN 078 174 973), ETRADE Australia Nominees Pty Limited (ACN 080 523 217) and ETR Nominees Pty Limited (ACN 101 455 207) together, and each of them separately, unless otherwise specified.

This FSG is being provided to you as a result of the implementation of the Financial Services Reform Act which requires E*TRADE Australia to publish and distribute FSGs to retail clients to whom it provides financial services.

E*TRADE Australia provides limited financial services to you as a client of another Australian Financial Services Licensee (referred to in this FSG as your "Authorised Agent") that utilises the execution, settlement and CHES sponsorship services of E*TRADE Australia. This FSG will therefore only cover those services. Your Authorised Agent provides all other services for you and you must communicate your account and market-related instructions direct to your Authorised Agent, who will then on-forward those instructions to us. Your Authorised Agent will be providing you with its own FSG covering the services it provides to you.

This FSG contains general advice that has been prepared without taking into account your objectives, financial situation or needs. Accordingly, you should seek the advice of your Authorised Agent and consider the appropriateness of the advice having regard to your particular circumstances.

Purpose of the Financial Services Guide

The FSG is an important document. We have designed this FSG to assist you in deciding whether to use any of the financial services we offer. This FSG must provide you with information about:

- Our name and contact details;
- The financial services we are authorised to provide and the products to which those services relate;
- The cost of any services we provide;
- Any remuneration, commissions or other benefits that we, or any relevant person, may be paid in relation to the financial services we offer;
- Any relationships we have with any other organisations affiliated with us or with product issuers, which might influence us in providing the services; and
- Details of our internal and external complaints handling procedures and how you access these.

Other documents you may receive from us

When we provide you with a financial service, we may also have to provide you with a Product Disclosure Statement. A Product Disclosure Statement ("PDS") is a document that provides you with information about a financial product and the entity that issues the financial product (the Issuer). We must provide you with a PDS about a financial product when:

- We recommend that you acquire the financial product; or
- We offer to issue, or to arrange to issue, the financial product to you.

The PDS must contain information about the financial products so that you can make an informed decision whether or not to acquire it. A PDS about a financial product must state, amongst other things:

- The name, license number and contact details of the Issuer;
- The significant benefits and risks associated with holding the financial product;
- The fees, expenses or other costs associated with holding the financial product;
- Commission or other payments that may reduce any return from the financial product;
- Other significant characteristics of the financial product;
- The rights, terms, conditions and obligations of the financial product;
- Dispute resolution procedures covering complaints in relation to the financial product, and how you can process these dispute resolution procedures; and
- General information about the significant taxation implications (if any) of a financial product.

A PDS is not required to be issued by E*TRADE Australia where you are dealing in ASX-listed equity securities and warrants. Your Authorised Agent will be responsible for providing you with a PDS in relation to financial products.

Provider of the financial services

ETRADE Australia Securities Ltd (ACN 078 174 973) and its representatives are the providers of the financial services offered below. E*TRADE Australia is authorised by the Australian Financial Services Licence (No 238277) issued under the Corporations Act to provide these services to you.

E*TRADE Australia is a wholly owned subsidiary of ETRADE Australia Ltd (ACN 003 042 082) and a Participant of the Australian Stock Exchange Limited Group. E*TRADE Australia is authorised to:

- Provide financial product advice and deal in the following financial products:
 - Basic deposit products;
 - Derivatives;

- Foreign exchange contracts;
- Debentures, stocks or bonds;
- Interests in managed investment schemes including the Investor Directed Portfolio Service (known as "The ETRADE Australia Managed Funds Service");
- Securities; and
- Miscellaneous financial investment products limited to managed investment warrants.
- Underwrite interests in managed investment schemes, or issues of securities; and
- Provide and operate custodial and depository services.

As previously mentioned in this FSG, E*TRADE Australia provides you solely with execution, settlement and sponsorship services.

Providing Entity (Provider of Advice)

E*TRADE Australia does not provide financial product advice to you. Your Authorised Agent may, however, do so.

Fees payable for each service provided

E*TRADE Australia has an agreement with your Authorised Agent, under which the Authorised Agent determines the rate at which we will charge you brokerage on any trades (which we will deduct, from the settlement proceeds, the bank account nominated by you or the bank account which E*TRADE Australia opens as trustee for you). Please contact your Authorised Agent if you require further information on the rates to be charged. In addition to the brokerage we charge you, you will pay E*TRADE Australia the amounts set out in Appendix A.

E*TRADE Australia retains part of the brokerage and pays the balance to your Authorised Agent. It is not possible to ascertain the amount which E*TRADE Australia will retain. The amount retained by E*TRADE Australia varies depending on a number of matters which will be set out in the agreement with your Authorised Agent. These may include:

- The number of contract notes prepared for your Authorised Agent's clients during the month. Commonly, the more contract notes prepared for your Authorised Agent's clients, the lower the fee received by E*TRADE Australia and;
- The size of a trade.

Part 1 of Appendix A details the current list of other fees and charges that you may pay to us directly for our services.

How we are paid for services provided

E*TRADE Australia is remunerated by the brokerage we charge you. With certain products (such as margin lending products) we are also remunerated in the form of commissions (including trailing commissions) by product providers. Refer to Appendix A for more details.

How to use our services

If you wish to execute transactions using our execution, settlement and sponsorship services, you must provide your instructions to your Authorised Agent or by arrangement with your Authorised Agent. The method by which E*TRADE Australia will accept your or your Authorised Agent's instructions will be subject to the terms and conditions of trading between your Authorised Agent,

E*TRADE Australia and you (available from your Authorised Agent), and your authorisation for your Authorised Agent to open an account with E*TRADE Australia (which will result in us opening a bank account in our name, as trustee, which identifies you as a beneficiary). To use our sponsorship services, you will need to enter into a CHES Sponsorship Agreement with E*TRADE Australia (which forms part of your account opening documentation with your Authorised Agent). If you require advice, please contact your Authorised Agent directly.

Associations with product providers

E*TRADE Australia may provide you with financial products and services from either related or non-related product providers, including Australia and New Zealand Banking Group Limited ("ANZ"). ANZ owns approximately 35% of our parent company, ETRADE Australia Limited.

E*TRADE Australia may receive a commission payment from product providers where you invest in one of their products or services. Refer to Part 2 of Appendix A for more details.

Complaints

You may advise of any complaint or dissatisfaction with the service provided to you by E*TRADE Australia. You should contact your Authorised Agent direct if you have any complaints about the advice or other services it provides to you. If you have any complaints in relation to E*TRADE Australia's execution, settlement or sponsorship services which could not be resolved by your Authorised Agent, the following dispute resolution procedure is in place to ensure that your enquiries and complaints are handled efficiently.

Contact E*TRADE Australia and advise us of your complaint. A representative of E*TRADE Australia will attempt to resolve your complaint and will notify you of any proposed resolution.

Call us on 02 8274 5577 or
Write to us at:
ETRADE Australia Securities Ltd
Reply Paid 1346
ROYAL EXCHANGE NSW 1224

If your complaint is not resolved to your satisfaction, please send a written complaint addressed to:

Compliance Manager
ETRADE Australia Securities Ltd
Level 1, 10 Bridge Street,
Sydney NSW 2000.

If you are still not satisfied with the resolution of any complaint, you may complain in writing to the Financial Industry Complaints Service Ltd (FICS), of which E*TRADE Australia is a member.

The FICS can be contacted as below:

Financial Industry Complaints Service Ltd
PO Box 579 Collins Street West
Melbourne Vic 8007

Telephone: 1300 780 808
Facsimile: (03) 9621 2291
Email: fics@fics.asn.au
Internet: www.fics.asn.au

This FSG is dated 4 May 2004.

APPENDIX A

Financial Services Guide – Fees, Charges, Benefits and Commissions

The current list of fees and charges that you may be required to pay to us directly for using our services, in addition to brokerage at a rate determined by your Authorised Agent are detailed below. Any fees and charges relating to specific products can be found in the relevant Product Disclosure Statement.

All fees and charges include GST unless stated otherwise.

Commissions and benefits that may be paid to E*TRADE Australia are detailed in Part 2 of this Appendix.

PART 1 – STANDARD FEES AND CHARGES

1. EXECUTION, SETTLEMENT AND SPONSORSHIP SERVICES.

1.1. Fees on Options

- All Exchange Traded Option trades incur an ACH fee of \$1.12 per contract traded, in addition to any brokerage we charge you.
- Where an Exchange Traded Option is exercised, you will incur an ACH exercise fee of \$0.55 multiplied by the number of contracts exercised, in addition to any brokerage we charge you.

2. OTHER SERVICES

2.1. Banking Service Charges

Cash Withdrawal requests, where our manual intervention is involved	\$5.00
<i>Bank Statement Reprint</i> When a Bank Statement Reprint is requested, we will pass on any bank charges incurred	Nil
<i>Audit requests</i> When a Bank Audit Confirmation is requested, we will pass on any bank charges incurred	Nil
<i>Telegraphic Transfers</i> When a telegraphic transfer request is received, E*TRADE may charge you a processing fee of \$5.00 per transfer request, together with any bank	\$5.00

charges incurred. As a guideline the fees currently charged by the banks are:

- Your E*TRADE ANZ account to another ANZ account - Nil
- Your E*TRADE ANZ account to another bank account - \$28.00
- Your E*TRADE ANZ account to an overseas bank account - \$30
- Your E*TRADE Macquarie Bank account to any account - \$35

Dishonor fee

When a cheque deposited to your E*TRADE Australia bank account is dishonored or a direct debit against your nominated bank account is dishonored, we will pass on to you any bank charges incurred. As a guideline the current bank charges are:

Cheque deposit is dishonoured - \$9.00

Direct Debit is dishonoured - \$5.00

Nil

2.2 Fail Fees

Fail fees

Sell transactions

When stock is not available to meet our market settlement obligation, we will pass on to you the daily ASX fail fee, which is calculated at 0.1% of settlement consideration, subject to a minimum of \$50.00 and maximum \$2000 per day (GST exclusive) for each failed settlement.

Any other fees or charges incurred by us and advised to you.

Buy transactions

- If you have insufficient funds in your E*TRADE Australia bank account, to meet our market settlement requirements, we will charge you a fail fee of \$25.00 per day until the account is brought back into credit, and pass

Nil

As advised to you

\$25.00 per day

on any overdraft interest charged by the relevant bank.

- If your account is approved to be settled on a DVP basis, and your custodian does not provide funds to enable us to settle our market obligations, the higher of \$50 per day or 10.72% per annum on funds not received by us relating to that market settlement obligation.

Higher of \$50 per day or 10.72% p.a. on funds owed by client

2.3 Transfers of Financial Products

Off Market Transfers	\$20.00
Request lost SRN	\$16.50
CHESS Statement reprints	\$5.00

2.4 Contract Note Delivery

SMS alert	\$0.55
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PART 2 – COMMISSIONS AND BENEFITS PAID TO E*TRADE AUSTRALIA

E*TRADE Australia receives commissions or other benefits from a number of institutions in respect of or attributable to the provision of financial services, which it may share with your Authorised Agent:

- Up to 0.30% per annum commission on the average daily balance of the bank account which E*TRADE Australia has opened as trustee, identifying you as the beneficiary, from the relevant bank;
- Between 0.25% and 0.55% per annum of the balance or loan balance of some margin lending loan accounts, from the provider of the margin loan;
- Up to 6% of an investment in an initial public offering or other offering of financial products and ongoing fees of up to 2% (of the initial investment), from the company undertaking the initial public offering, issuing the financial products or underwriter;
- Up to 1.1% of the amount of any instalment warrants that are rolled over by the issuer of the instalment warrants; and
- Up to 50% of the cost of amounts paid to research and/or education providers, from the research and/or education providers.

We may receive a commission from warrant issuers as part of trading promotions, or from product providers with whom we have an association, where you invest in one of their products or services. We may rebate these commissions to you or share these commissions with your Authorised Agent.

This FSG is dated 4 May 2004.

SPONSORSHIP AGREEMENT

This Agreement applies when a person or entity ("The Client") agrees to be sponsored by ETRADE Australia Securities Limited (ACN 078 174 973; AFSL No. 238277) in the Clearing House Electronic Subregister System ("CHESS")

1. INTERPRETATION

- 1.1 Any term used in this Agreement which is defined in the ASTC Settlement Rules (the Rules") has the meaning given in the Rules.
- 1.2 In this Agreement, ETRADE Australia Securities Limited is referred to as the "Participant" and the Client is referred to as the "Participant Sponsored Holder". These terms are defined in the ASTC Settlement Rules.
- 1.3 In this Agreement, the entity which acts as the Participant Sponsored Holder's agent in placing order or settlement instructions with the Participant, on the Participant Sponsored Holder's behalf, is referred to as the "Authorised Agent".

2. APPOINTMENT

The Participant Sponsored Holder appoints the Participant to provide, and the Participant agrees to provide, transfer and settlement services as the Participant Sponsored Holder's agent in relation to Sponsored Holdings identified by the HIN notified to you in writing after the date of this Agreement, on the terms and conditions of this Agreement. The Participant Sponsored Holder authorises the Participant as its agent to do any act under CHESS, relating to its Sponsored Holdings.

3. PARTICIPANT AND PARTICIPANT SPONSORED HOLDER'S RIGHTS

3.1. PARTICIPANT RIGHTS

- 3.1.1 Where the Participant Sponsored Holder or its Authorised Agent authorises the Participant to buy Financial Products, the Participant Sponsored Holder will pay for those Financial Products within three (3) Business Days of the date of purchase.
- 3.1.2 Subject to Clause 3.1.3, the Participant is not obliged to Transfer Financial Products into the Participant Sponsored Holding, where payment for those Financial Products has not been received, until payment is received.
- 3.1.3 Where a contract for the purchase of Financial Products remains unpaid, after the Participant has made a demand of the Participant Sponsored Holder or its Authorised Agent to pay for the Financial Products, the Participant may sell those Financial Products that are the subject of that contract at the Participant Sponsored Holder's risk and expense and that expense will include brokerage and stamp duty.
- 3.1.4 Where the Participant claims that an amount lawfully owed to it has not been paid by the Participant Sponsored Holder, the Participant has the right to refuse to comply with the Participant Sponsored Holder's Withdrawal Instructions, but only to the extent necessary to retain Financial Products of the minimum value held in a Participant Sponsored Holding (where the minimum value is equal to 120% of the current market value of the amount claimed).

3.2. PARTICIPANT SPONSORED HOLDER'S RIGHTS

- 3.2.1 Subject to Clauses 3.1.3 and 3.1.4 the Participant will initiate any Transfer, Conversion or other action necessary to give effect to Withdrawal Instructions within two (2) Business Days of the date of the receipt of the Withdrawal Instructions.
- 3.2.2 The Participant will not initiate any Transfer or Conversion into or out of the Participant Sponsored Holding without the express authority of the Participant Sponsored Holder.
- 3.2.3 The regulatory regime which applies to the Participant is the regime established under the Corporations Act and Corporations Regulations, and rules of the Australian Stock Exchange Limited Group, including the ASX Market Rules, the ASTC Settlement Rules and the ACH Clearing Rules. The Participant Sponsored Holder can obtain information as to the status of the Participant from the relevant regulatory authorities, including the Australian Securities and Investments Commission ("ASIC"), the Australian Stock Exchange Limited ("ASX"), ASX Settlement and Transfer Corporation Pty Ltd ("ATSC") and Australian Clearing House Pty Ltd ("ACH").
- 3.2.4 The Participant Sponsored Holder may lodge a complaint against the Participant with ASIC, ASX, ASTC, ACH or the Financial Industry Complaints Service Limited ("FICS"). The Participant Sponsored Holder may lodge any claim for compensation with the Participant in the first instance, and if not satisfied with the Participant's response, may refer the claim to FICS. The Participant Sponsored Holder may lodge any claims in relation to the National Guarantee Fund with the Securities Exchange Guarantee Corporation Limited.

4. OTHER RIGHTS AND DUTIES

4.1 SUPPLY OF INFORMATION

- 4.1.1 The Participant Sponsored Holder will supply all information and supporting documentation which is reasonably required to permit the Participant to comply with the registration requirements, as are in force from time to time, under the ASTC Settlement Rules.

4.2. EXCHANGE TRADED OPTIONS, PLEDGING AND SUBPOSITIONS

- 4.2.1 Where the Participant Sponsored Holder or its Authorised Agent arranges with ACH to lodge Financial Products in a Participant Sponsored Holding as cover for written positions in the Australian Options Market, and informs the Participant of the arrangement, the Participant Sponsored Holder authorises the Participant to take whatever action is reasonably required by ACH in accordance with the Rules to give effect to that arrangement.
- 4.2.2 Where the Participant Sponsored Holder or its Authorised Agent arranges with any person to give a charge or any other interest in Financial Products in a Participant Sponsored Holding, the Participant Sponsored Holder

- Foreign exchange contracts;
- Debentures, stocks or bonds;
- Interests in managed investment schemes including the Investor Directed Portfolio Service (known as "The ETRADE Australia Managed Funds Service");
- Securities; and
- Miscellaneous financial investment products limited to managed investment warrants.
- Underwrite interests in managed investment schemes, or issues of securities; and
- Provide and operate custodial and depository services.

As previously mentioned in this FSG, E*TRADE Australia provides you solely with execution, settlement and sponsorship services.

Providing Entity (Provider of Advice)

E*TRADE Australia does not provide financial product advice to you. Your Authorised Agent may, however, do so.

Fees payable for each service provided

E*TRADE Australia has an agreement with your Authorised Agent, under which the Authorised Agent determines the rate at which we will charge you brokerage on any trades (which we will deduct, from the settlement proceeds, the bank account nominated by you or the bank account which E*TRADE Australia opens as trustee for you). Please contact your Authorised Agent if you require further information on the rates to be charged. In addition to the brokerage we charge you, you will pay E*TRADE Australia the amounts set out in Appendix A.

E*TRADE Australia retains part of the brokerage and pays the balance to your Authorised Agent. It is not possible to ascertain the amount which E*TRADE Australia will retain. The amount retained by E*TRADE Australia varies depending on a number of matters which will be set out in the agreement with your Authorised Agent. These may include:

- The number of contract notes prepared for your Authorised Agent's clients during the month. Commonly, the more contract notes prepared for your Authorised Agent's clients, the lower the fee received by E*TRADE Australia and;
- The size of a trade.

Part 1 of Appendix A details the current list of other fees and charges that you may pay to us directly for our services.

How we are paid for services provided

E*TRADE Australia is remunerated by the brokerage we charge you. With certain products (such as margin lending products) we are also remunerated in the form of commissions (including trailing commissions) by product providers. Refer to Appendix A for more details.

How to use our services

If you wish to execute transactions using our execution, settlement and sponsorship services, you must provide your instructions to your Authorised Agent or by arrangement with your Authorised Agent. The method by which E*TRADE Australia will accept your or your Authorised Agent's instructions will be subject to the terms and conditions of trading between your Authorised Agent,

E*TRADE Australia and you (available from your Authorised Agent), and your authorisation for your Authorised Agent to open an account with E*TRADE Australia (which will result in us opening a bank account in our name, as trustee, which identifies you as a beneficiary). To use our sponsorship services, you will need to enter into a CHES Sponsorship Agreement with E*TRADE Australia (which forms part of your account opening documentation with your Authorised Agent). If you require advice, please contact your Authorised Agent directly.

Associations with product providers

E*TRADE Australia may provide you with financial products and services from either related or non-related product providers, including Australia and New Zealand Banking Group Limited ("ANZ"). ANZ owns approximately 35% of our parent company, ETRADE Australia Limited.

E*TRADE Australia may receive a commission payment from product providers where you invest in one of their products or services. Refer to Part 2 of Appendix A for more details.

Complaints

You may advise of any complaint or dissatisfaction with the service provided to you by E*TRADE Australia. You should contact your Authorised Agent direct if you have any complaints about the advice or other services it provides to you. If you have any complaints in relation to E*TRADE Australia's execution, settlement or sponsorship services which could not be resolved by your Authorised Agent, the following dispute resolution procedure is in place to ensure that your enquiries and complaints are handled efficiently.

Contact E*TRADE Australia and advise us of your complaint. A representative of E*TRADE Australia will attempt to resolve your complaint and will notify you of any proposed resolution.

Call us on 02 8274 5577 or
Write to us at:
ETRADE Australia Securities Ltd
Reply Paid 1346
ROYAL EXCHANGE NSW 1224

If your complaint is not resolved to your satisfaction, please send a written complaint addressed to:

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If you are still not satisfied with the resolution of any complaint, you may complain in writing to the Financial Industry Complaints Service Ltd (FICS), of which E*TRADE Australia is a member.

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