

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 ("ETRADE 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 FSG's 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 CHESS 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, licence 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 Securities 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 CHESSE 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 100% of 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 Ombudsman Service (FOS), of which E*TRADE Australia is a member.

The FOS can be contacted as below:

Financial Ombudsman Service
GPO Box 3 Melbourne VIC 3001
Telephone: 1300 780 808
Facsimile: (03) 9613 6399
Email: info@fos.org.au
Internet: www.fos.org.au

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 Cash Withdrawal requests, where our manual intervention is involved	\$5.00
Audit requests When a Bank Audit Confirmation is requested, we will pass on any bank charges incurred	Nil
Bank Statement Reprint When a Bank Statement Reprint is requested, we will pass on any bank charges incurred	\$14.00
Telegraphic Transfers 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 charges incurred.	\$5.00

As a guideline the fees currently charged by the banks are:	
<ul style="list-style-type: none"> Your E*TRADE ANZ account to another ANZ account 	Nil
<ul style="list-style-type: none"> Your E*TRADE ANZ account to another bank account 	\$28.00
<ul style="list-style-type: none"> Your E*TRADE ANZ account to an overseas bank account 	\$30.00
<ul style="list-style-type: none"> Your E*TRADE Macquarie Bank account to any account 	\$35.00
Dishonour fee When a cheque deposited to your E*TRADE Australia bank account is dishonoured or a direct debit against your nominated bank account is dishonoured, we will pass on to you any bank charges incurred, together with the following fees:	
<ul style="list-style-type: none"> Cheque deposit is dishonoured 	\$9.00
<ul style="list-style-type: none"> Direct Debit is dishonoured 	\$5.50

2.2 Fail Fees

Fail fees The following fees may be charged against your account, in respect of a failure to settle transactions.
Sell transactions When stock is not available to meet the market settlement obligation, the ASX fee is calculated at 0.11% of settlement consideration as per below plus any other fees or charges incurred by E*TRADE and advised from time to time. <ul style="list-style-type: none"> Minimum \$110 per day Maximum \$5500 per day
Buy transactions When cash is not available to pay for stock purchased, a fee is calculated at the current ANZ bank overdraft rate of settlement consideration with a minimum and maximum fee. <ul style="list-style-type: none"> Minimum \$110 per day Maximum \$5500 per day
Buy transactions (Late Payment Fee) When your E*TRADE ANZ account goes into overdraft after settlement, due to insufficient funds. <ul style="list-style-type: none"> \$27.50 per day. Overdraft interest charges in line with bank charges.

2.3 Transfers of Financial Products

Off Market Transfers	\$22.00
Request lost SRN	\$16.50
CHESS Statement reprints	\$16.50

2.4 Contract Note Delivery

SMS Alert	\$0.55
Oasys Message	\$13.20
IRESS ETC Message	\$5.50

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;
- Up to 50% of the cost of amounts paid to research and/or education providers, from the research and/or education providers; and
- Up to \$30 per month per account in relation to portfolio service fees and up to \$200 per quarter per account for portfolio administration fees from your Authorised Agent.

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: 02 September 2008