

FINANCIAL SERVICES GUIDE

Charles Schwab Australia Pty Limited (ABN 11 085 258 822)

**charles
SCHWAB**

AFS Licence No: 246743
Address: Unit 5, 4 Skyline Place, Frenchs Forest, NSW 2086
Telephone: 1300 781 132 or +612 8213 6093
Internet: www.schwab.com.au

Purpose

The purpose of providing this Financial Services Guide (FSG) is to provide you (an Australian client) with information about Charles Schwab Australia Pty Limited ACN 085 258 822 ("CSAU", "we", "us" or "our"), the services we offer and how we charge for those services, how we disclose any potential conflicts of interest and how we manage client complaints. This information is provided to you to enable you to compare our services with similar providers and to make an informed decision on whether to use our services.

As part of our ongoing relationship we may provide you with other documents, namely Product Disclosure Statements or Statements of Advice relating to our or third party products or services.

These documents are to assist you in making informed choices about the services we offer, or about third party services that you may choose to use in conjunction with our own. CSAU' Australian Financial Services licence permits us to provide the following financial services:

Provide Financial Product Advice and Arrange for others to deal in financial products in:

- Securities
- Derivatives
- Government Debentures Stocks or Bonds
- Interests in Managed Investment Schemes
- Foreign Exchange
- Standard Margin Lending Facility

Deal in financial products in:

- Securities
- Derivatives
- Interests in Managed Investment Schemes
- Standard Margin Lending Facility

to retail and wholesale clients.

Whenever we provide these services we will be acting on your behalf and not on behalf of any product issuer. We may appoint other persons including associated entities (such as Charles Schwab & Co, Inc. ("CS&Co") or Charles Schwab Futures, Inc. ("CSF")) to facilitate trades on your behalf and any person we appoint may appoint relevant execution or clearing agents in relation to the relevant trades. Certain remuneration outlined in this document may be paid to persons we appoint directly or out of remuneration paid to us.

Commissions and Fees

CS&Co is remunerated directly through the commission and fees it charges you. CSAU receives a benefit from CS&Co calculated as CSAU's costs plus a 10% of those costs. The following table outlines the maximum amount for commissions and fees CS&Co or CSF may charge you for trading in U.S. exchange listed securities, futures and derivatives. Special rates may apply to customers of related companies.

STANDARD BROKERAGE RATES	
(All prices in \$US)	
Options	\$4.95 per trade + \$0.65 per contract
Stocks	\$4.95 per trade
Bonds	\$5.00 per bond subject to a \$14.95 minimum
Penny Options Buy to Close	\$0.50 per contract , subject to a \$4.95 minimum per trade
Covered Calls/Buy Writes	\$4.95 for the stock leg plus \$4.95 + \$0.65 per contract for the option leg (minimum \$10.55)
Exercise or Assignment	\$4.95 per exercise/assignment
Partial Fills	If an order is partially filled one day and the balance of the order is filled on another day, two separate commissions will be charged.
Futures/Futures Options	\$3.50 per contract/per side

* Broker call is a variable rate that is published daily in the Wall St Journal and Investors Business Daily.

Trades at some foreign exchanges may be subject to additional fees. The table above does not include customary NFA and exchange fees. Additional fees may apply at some foreign exchanges. Exchange fees will be available on our website at www.schwab.com.au/commissions

FINANCIAL SERVICES GUIDE

Charles Schwab Australia Pty Limited (ABN 11 085 258 822)

Standard Commissions are accurate as at the date of this document and are subject to change at any time. For current commissions, please visit www.schwab.com.au/commissions

	Debit Balance	Margin Rate	Effective Rate
Interest charged on Margin Balances	\$0 - \$24,999.99	Base Rate + 1.825%	8.575%
	\$25,000 - \$49,999.99	Base Rate + 1.325%	8.075%
	\$50,000 - \$99,999.99	Base Rate + 0.375%	7.125%
	\$100,000 - \$499,999	Base Rate + 0.325%	7.075%
	\$500,000 - \$999,999	Base Rate + 0.075%	6.825%
	Over \$500,000 and above	Contact us	

Base Rate = 6.75%

Data Charges – For US and other international quote data, CS&Co or CSF reserves the right to charge you for access to live data upon prior notice to you.

Government Taxes

The U.S. Securities and Exchange Commission levies a charge on the sales of equity transactions. This fee is listed on your official Trading Statement if applicable. For more information about SEC fees please read: www.sec.gov/answers/sec31.htm.

We will deduct these charges from the proceeds of a sale or add applicable government charges to the purchase price of an order you make.

Other remuneration

In addition, we also receive remuneration from third party product providers whose products you may choose to use in conjunction with our services.

CSAU Representative Remuneration

Our representatives are remunerated by salary payments from CSAU. Representatives may be eligible for a bonus payment annually. All bonus payments are based upon merit and achievement of set objectives and are at the discretion of senior management.

Relationships or Associations

CSAU is owned by The Charles Schwab Corporation. CSAU and their officers, employees, independent contractors, and owners may receive compensation in connection with marketing efforts and offers. CSAU may refer you to or provide you with financial products or services of related companies.

Instructions from you

We will seek to act on your specific instructions in a timely and efficient way. You can provide instructions to us via our website, verbally and in writing (mail, fax or email), however we reserve the right to request written instructions where we consider it necessary.

Privacy of client information

In providing our services to clients we collect personal information about them, including sensitive information. Please note we treat all information you provide to us in confidence and will take all reasonable steps to ensure non-disclosure to anyone other than for the purpose of fulfilling your instructions. We treat all client information in accordance with the provisions of the Privacy Act 1988 and the Australian Privacy Principles. A copy of Our privacy policy is available on our website.

Problems with our service

If you ever have a difficulty or are not satisfied with our services you are entitled to complain. We have procedures in place to ensure that complaints are fully considered and properly dealt with. If at the first point of contact your problem is not resolved to your satisfaction, please contact our Customer Service Manager:

Post: Charles Schwab Australia Pty Limited
Locked Bag 5101 Frenchs Forest NSW 2086
Email: Compliance.Australia@schwab.com
Facsimile: +612 9247 7379

Please be aware that we will do everything within reason to address and resolve your concerns. If you are not satisfied with a response received from our Customer Service Manager within 14 days, you are entitled to refer the matter to an independent complaint handling body. We are a member of the Financial Ombudsman Service ("FOS") (Membership number 11659). FOS can be contacted at:

Post: GPO Box 3 Melbourne VIC 3001
Telephone: 1800 367 287
Facsimile: +61 3 9613 6399
Email: info@fos.org.au
Website: www.fos.org.au

FINANCIAL SERVICES GUIDE

Charles Schwab Australia Pty Limited (ABN 11 085 258 822)

Professional Indemnity Insurance

CSAU has professional indemnity insurance in place which complies with the requirements of S912B of the Corporations Act. This insurance provides cover to you even when a representative ceases to be employed or act on our behalf.

If you have any further questions about our financial services, please contact us on 1300 781 132.

(1017-7HE5) REG8422CSAU-00