

July 2018

Charles Schwab Australia Pty Limited Privacy Policy

Protecting Your Privacy

You trust us with your personal information, and we take that trust seriously. Charles Schwab Australia Pty Limited (“CSA,” “us” or “we”) is committed to protecting your privacy. Please read this policy carefully as it contains important information regarding how we collect, hold, use, share, disclose and protect your personal information in accordance with the Privacy Act of 1988 (Cth) implemented by the Australian Government.

Please visit our website, www.schwab.com.au, regularly to review the most updated version of our privacy policy.

About CSA

CSA is one of the affiliates of the Charles Schwab Corporation (“CSC,” “the Company”) which provides a full range of financial services through its worldwide operating branches and subsidiaries. Acting as an introducing broker, CSA contracts with Charles Schwab & Co., Inc., and Charles Schwab Futures, Inc. (Schwab Futures) to provide securities trading and futures trading services, respectively, to CSA clients. The services CSA provides may include arranging trade in the U.S. stock market and futures market and providing general advice in relation to the products and services available from Schwab U.S. and Schwab Futures. All client-directed securities trading and futures trading transactions are executed by Schwab U.S. and Schwab Futures, respectively, where all clients’ invested funds are held.

Information We Collect, Use and Disclose

When you open a new account with CSA, we are required to collect your personal information. The information may be used for the purposes of, amongst others, managing your accounts, processing transactions for you, and offering you new products and services. In opening your account, you consent to your information being transferred out of Australia to Schwab U.S. or Schwab Futures, so that we may proceed with the account opening process, and provide you with the financial services you have requested.

The types of information may vary depending on the products and services you have requested and the need for verifying beneficial owners’ identification. The information may include:

- Name
- Physical address
- Phone numbers
- Email address
- Date of birth
- Gender
- Credit and financial history
- Employment details
- Marital status
- Bank account details

In compliance with the Anti-Money Laundering and Counter Terrorism Financing ACT of 2006, we are obliged to obtain the identification verification information of the beneficial owners of accounts in order to identify, detect and evaluate such owners. Beneficial owners may include the shareholders, trustees, directors and officers of a parent entity and its affiliates. The information we obtain may include names, addresses, copies of passports or driver’s licenses of the beneficial owners, ownership structure of the entity or the trust, the account’s intended purpose, expected account activities, and sources of funds.

You may choose not to provide the information requested pertaining to the account; however, if you fail to do so, we may not be able to open an account for you and fulfill our responsibility to properly provide the financial services that you have requested.

The Usage of Information

We collect, hold, use and disclose the information pertaining to an account to comply with applicable laws and regulations and fulfill our business and marketing purposes under the guidelines and regulations that we are subject to. The purposes may include:

- To comply with applicable laws both in Australia and other jurisdictions including (a) the Corporations Act; (b) the Anti-Money Laundering and Counter-Terrorism Financing Act; and (c) the Income Tax Assessment Acts, Tax Administration Act and A New Tax System (Goods and Services Tax) Act;
- To identify and verify the clients, either as nominal account holders or beneficial owners, and understand the investment needs, expectations and requirements of the clients;
- To process transactions and maintain the accounts in the best interest of clients;
- To develop, price and offer our products and services to clients;
- To develop, train and manage our financial representatives and employees to provide the most optimal client experiences;
- To manage relationships with our clients;
- To manage various business, financial, market and political risks we may be confronted with;
- To store and process data and record trading instructions on behalf of third parties such as Schwab U.S. or Schwab Futures; to develop, create and distribute software, provide consultation services, process invoice data in electronic formats, and operate and market online trading platforms;
- To make use of usage rights regarding traffic infrastructure, including acquiring and selling these rights, for example, to toll roads, parking spaces, ferries, tunnels, etc.;

We may also share limited demographic and non-personally identifiable information with third parties to assist us with business and marketing analysis. These third parties agree to keep the information confidential and secure.

CSA does not make any other usage of the information without the consent of clients unless required or permitted by the applicable laws.

Means to Collect Information

We collect information pertaining to an account through various channels including telephone, fax, email, mail, and our website. The collection may be conducted by our affiliates, our employees, contracted agents or other third-party service providers.

In case of needing additional information about certain individuals such as directors or officers of an entity or trustees of a trust, we normally collect the information from the consented representatives of the entity or trust, who must take the following reasonable steps to notify these individuals: 1) that we have collected the information; 2) the circumstances and purposes of the collection; and 3) information on how and where to find or obtain a copy of the Policy. Wherever practicable, we may collect the additional information directly from these individuals.

Information Security

The security of all information we collect, hold and disclose pertaining to our clients is of paramount importance to us. We keep both hardcopy and electronic records in our premises and electronic systems as well as with trusted contracted agents and other third-party service providers. We use a number of methods to ensure your information is secure, including:

- We maintain up-to-date data management policies which govern all employees who handle our clients’ information; we train our employees to understand our policies and how to protect your information;

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- To ensure the security of our premises, we use restricted access, surveillance videos, arms and other measures;
- To protect data in electronic systems, we use enhanced passwords, firewalls, Secure Socket Layering (SSL) technology, and virus scanning software, among other methods, to prevent unauthorized access to your account information.
- Moreover, we use advanced encryption for secured online data submission and client login on our website (look for the padlock icon on your browser to verify security). Remember, you should never share your password with anyone and you should change your password frequently. You can safely change your password online at any time by answering certain questions about yourself or by requesting a temporary password and then changing your password upon logging in.
- Wherever practicable, if not reasonably required for the provision and improvement of our services and not otherwise prohibited (including by law), we only keep our clients' information for as long as is required.

Reasons We Share Clients' Information

Unless we are permitted or required to provide clients' information to other parties by law or court orders to assist with investigating suspected fraudulences or other unlawful activities or preventing damages or injuries to people or properties, we only disclose and share the information to the parties specified in the Policy, including:

- Credit rating agencies and other financial institutions to identify and verify credit worthiness;
- Australian regulatory bodies such as AUSTRAC, the ATO, and ASIC;
- U.S. regulatory bodies such as the U.S. Internal Revenue Service, the Securities and Exchange Commission, U.S. Commodity Futures Trading and other U.S. regulatory and government entities;
- Schwab U.S., Schwab Futures or other affiliates of CSC for account application evaluation, transaction execution, account maintenance, and other business purposes;
- Service providers that carry out business functions on our behalf, which may include, but not be limited to, mailing facilities, research data warehouses, administration or business management services, specialized data matching and trending service providers, consultants, auditors, marketing agencies, data and document management providers, and collection agents;
- Our external dispute resolution body in case of disputes.

Information on data collection (statistical data)

Other information that does not relate to an individual personally will be collected and used by CSA and may be communicated to third parties. Statistical and demographic data contain no personal details that would make it possible to identify a specific individual.

Accuracy of Personal Data

You are entitled under the Privacy Act of 1988 to access and request to update and correct your personal information.

To change your personal information, 1) log in to your account and select the "Service" tab and then "My Profile," 2) select the information you wish to update, and 3) click "Continue."

Alternatively, you may update your personal information by contacting our customer service department at 1300 781 132, or by sending your written request to:

Charles Schwab Australia Pty Limited
Level 1 Office, Unit 5, 4 Skyline Place
Frenchs Forest NSW 2086

If you believe there are errors in your personal data, please inform us, and we would be happy to investigate and update the information accordingly, where reasonably practicable.

Complaint Process

If you have any complaint regarding how we are handling your personal data, you may make a complaint via

Post: Level 1 Office, Unit 5, 4 Skyline Place, Frenchs Forest NSW 2086, or
Phone: 1300 781 132, or +612-8213-6093
Email: Compliance.Australia@schwab.com

CSA will investigate the complaint and report back to you on the findings and the resolution to the complaint. If you are not satisfied with our handling of your complaint, you may submit your complaint to the Privacy Commissioner.

Choice/Opt Out

If you do not wish to continue to receive electronic marketing promotions from Charles Schwab Australia, you may opt out of these communications by contacting the service team at +1-415-667-8400.

You must provide us with a current email address at all times even if you choose to no longer receive Marketing promotions or other educational or marketing announcements from us. In order to conduct business with you and comply with Australian and U.S. regulatory guidelines, it is crucial that we maintain the ability to provide you with legal notices and service-related information.

Website Links

The CSA website, www.schwab.com.au, contains links to other external websites. Please be aware that we are not responsible for the privacy or security practices of these websites. We encourage our users to be mindful when they exit the CSA website, and to read the privacy statements of each and every website that collects personal information. We also encourage our users to review the Privacy Statements of our service providers available on their websites.

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