

Dear optionsXpress Customer:

optionsXpress Australia Pty Limited (“OXA”) has entered into a clearing relationship with optionsXpress, Inc. (“optionsXpress”), for certain account maintenance, transaction processing, custodial and financing functions with respect to your U.S. securities in your account.

This relationship allocates certain responsibilities and the performance of various functions with respect to your account between OXA and optionsXpress. In general, OXA performs direct representative and certain customer service activities related to your account.

The following is a detailed description of the responsibilities and functions allocated to each party.

### **Responsibilities of optionsXpress Australia Pty Limited (OX Australia):**

1. Obtaining, verifying and retaining (a) information necessary to establish your account, (b) information relevant to the assessment of the suitability of transactions recommended to you (including your investment objectives and financial needs and resources) and (c) all other information and documentation with respect to your account that may be required by any applicable law, rule or regulation.
2. Any investment advice given to you by your representative or any employees of OXA.
3. Transmitting orders or instructions from you to optionsXpress for the execution of transactions for your account.
4. Obtaining and providing to optionsXpress all data necessary for the proper performance of any functions allocated to optionsXpress with respect to your account.
5. Investigating and responding to any inquiries or complaints you may have concerning your account and promptly providing written notice to optionsXpress of any complaint made with respect to the services provided by or functions allocated to optionsXpress.
6. Ensuring that its representatives comply with all applicable laws, rules and regulations.
7. Complying with all applicable laws, rules, regulations and restrictions regarding receipt of securities or funds.

### **Responsibilities of optionsXpress, Inc. (US):**

1. Approving and monitoring your account based on information provided by you to OXA.
2. Establishing an account for you based on information provided by you to OXA.
3. All securities orders or other transactions placed by you or optionsXpress in your account, including (a) if applicable, having reasonable grounds for believing that any recommended transaction is suitable on the basis of facts, if any, disclosed by you as to your investment objectives, risk tolerance, financial wherewithal and other security holdings and financial situation and (b) ensuring transactions entered for your account are made in compliance with all applicable laws, rules and regulations.
4. Settling securities transactions in your account in accordance with OXA’s instructions. optionsXpress relies on instructions and orders received from OXA as being authorized by and suitable for you.
5. Executing securities transactions for your account if requested by and in accordance with instructions received from OXA. If optionsXpress does not receive specific instructions with respect to the routing of your orders, optionsXpress may execute the order itself, execute the order with another brokerage firm that is a market maker or execute the order through a primary or regional securities exchange.
6. Preparing and transmitting confirmations of securities transactions for your account.
7. Preparing periodic statements of your account and transmitting such statements to you electronically.
8. Preparing and maintaining such books and records as are required for a broker/dealer performing the functions of a clearing broker pursuant to all applicable laws, rules and regulations.

9. Receiving, delivering, holding and disbursing funds and securities for your account, including paying or collecting any interest or dividends and processing any exchange or tender offers, redemptions, conversions and the exercise of any options or rights with respect to securities.
10. Extending credit to you for the purchase or sale of securities in your account in accordance with the margin agreement between you and optionsXpress and in accordance with all applicable laws, rules and regulations.
11. Safeguarding funds and securities in your account while such funds and securities are in the possession of optionsXpress.
12. Processing any instructions received regarding transfer of your account to another brokerage firm. We are pleased to provide these services with respect to your account. Please direct to OXA any questions you may have about the functions allocated between OXA and optionsXpress.

**Contact Information:**

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