

PRIVACY POLICY

Protecting your privacy

Your privacy is important to us and we know that how we collect, hold, deal with and protect your personal information is important to you.

OptionsXpress Australia Pty Limited ("OXA", "us" or "we") is committed to protecting your privacy. Please read this policy carefully as it sets out important information regarding how we collect, hold, use, disclose and protect your personal information in accordance with the Privacy Act 1988 (Cth).

Please visit our website regularly to review this policy as we update this policy from time to time.

About OXA

OXA is part of the Charles Schwab Corporation which provides a full range of financial services through its operating subsidiaries throughout the world. OXA has contracted with optionsXpress, Inc. (OXI) and Charles Schwab & Co., Inc (Schwab US) to provide certain services for OXA customers.

When you open an account with us you are specifically consenting to your personal information being transferred out of Australia to OXI and Schwab US so that they may consider your application to open an account with them so that they in turn can provide you with financial services such as share trading on the USA Stock Exchanges. The financial services provided by OXA are arranging and general advice in relation to the services available from OXI. All client directed transactions are carried out by OXI in the USA where all client monies are held by OXI.

We collect personal information about individuals. The type of information we collect will depend upon the products or services that we are providing, or proposing to provide, to you or another person or entity with whom you are connected or for which you are an office holder such as a director. We are also required to identify the beneficial owner of clients which means we may collect personal information about shareholders of our clients and the office holders of clients.

What are the main consequences for me if I do not provide my information?

You are not required to give us your information. However, if you do not give us your information (including your personal information) we may not be able to properly provide our services to you or your company.

What kinds of information do we collect?

To enable us to fulfil our responsibilities and otherwise provide our services to we need to collect certain information from certain individuals. The kinds of information and verification documents we collect include:

- Your name, address and contact details,
- Date of birth,
- Your gender,
- Your credit and financial history
- Your employment details

- Your marital status
- Your bank account details
- identification and verification details for directors and officers of the corporate account owner (such as name, address and other contact details such as passport and driver's licence);
- personal email addresses
- we are obliged to trace the beneficial ownership of our clients which means we may collect the name, address of individuals such as shareholders, trustees, directors and officers of the parent or related companies in order to comply with our customer identification obligations (especially the beneficial ownership requirements) under the *Anti-Money Laundering and Counter-Terrorism Financing Act 2000*. We are also required to verify the identity of our clients in accordance with the requirements of that Act so we may need to take copies of documents containing personal information as verification of identity

The information requested will vary according to the information you supply to verify your identity and the nature of the financial products and services you are asking us to provide

How do we use your information?

OXA collects, holds, uses and discloses the personal information of individuals only for fulfilling its own business purposes and for the purposes of arranging for OXA's clients to be introduced to OXI and other CSC companies.

Additionally, we may collect, hold, use and disclose an individual's personal information so we can:

- identify you, conduct checks, understand your requirements, assess applications made by you, and set up, administer and manage our products and services;
- manage, train and develop our employees and representatives;
- comply with applicable laws both in Australia and overseas including (a) the Corporations Act; (b) the Anti-Money Laundering and Counter-Terrorism Financing Act; (c) Income Tax Assessment Acts, Tax Administration Act and A New Tax System (Goods and Services Tax) Act which may authorise or require us to collect your personal information;
- assist OXI to carry out privacy compliance procedures in accordance with USA laws;
- store and process data, record trading instructions on behalf of third parties such as OXI, develop, create and distribute software, provide consultation services, process invoice data in electronic formats, operate and market online trading platforms;
- make use of usage rights regarding traffic infrastructure including acquiring and selling these rights, for example, for toll roads, parking spaces, ferries, tunnels, etc.
- develop and price our services;
- develop new services;

- conduct and improve our business and improve the user experience;
- identify the usage of the travel services by certain employees of the company ;
- manage our relationship with you;
- comply with our legal obligations and assist government and law enforcement agencies or regulators; and
- manage various risks we confront.

We may also share limited demographic and non-personally identifiable information with third-parties.

OXA does not make any other use of this information without the consent of the individual unless required or permitted by applicable law.

How do we collect your information?

We collect personal information by various means including telephone, fax and through our website. We may also collect information through our affiliated organisations, our staff and through our contracted agents and other third party service providers.

We may need to ask certain individuals such as directors (or others) further questions so we can properly deal with company inquiries and otherwise provide our services to the company. Wherever practicable, we will ask for the information directly but we will usually collect personal information about you from the company representative who must take reasonable steps to notify you (1) that we have done so, (2) the circumstances of the collection and (3) inform you where you can find/obtain a copy of the Privacy Policy.

How do we keep your information secure?

The security of all information we collect, hold and disclose is of paramount importance to us. We keep both hardcopy and electronic records on our premises and electronic systems as well as with trusted contracted agents and other third party service providers. We take reasonable steps to ensure personal information is secure, including:

- having training measures in place to ensure our staff understands our policies and how to protect your information;
- maintaining an up-to-date data management policy which applies to all employees who handle your information;
- maintaining the security of our premises (including by use of alarms, cameras and other measures) and our systems (including by use of passwords, firewalls, virus scanning tools and other measures); and
- wherever practicable, not reasonably required for the provision and improvement of our services and not otherwise prohibited (including by law) only keeping your personal information for as long as is required.

Online Security

A number of methods to protect your personal information. When you submit sensitive information via the Web site, your information is encrypted (look for the padlock icon on your browser to verify security). Your information is transmitted on the secured portion of the Web site. Firewalls and Secure Socket Layering (SSL) technology among other methods used to prevent unauthorized access to your account information.

Moreover, when you provide your login and password to access customer-only areas, that information is encrypted during transmission. 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 you or requesting a temporary password and changing your password upon logging in.

Who do we disclose your information to?

Unless we are permitted or required to provide your information to others by law, by court order or to investigate suspected fraud or other unlawful activity or to investigate or prevent damage or injury to persons or property, your information will only be seen or used as specified in this policy including by:

- credit rating agencies and other institutions to verify your identity and credit situation;
- our external dispute resolution body in the case of a dispute;
- organisations that carry out functions on our behalf including mailing houses; researchers; data warehouses; administration or business management services; specialised data matching and trending service providers, consultants, auditors, marketing service providers, data and document management providers and collection agents;
- Australian regulatory bodies such as AUSTRAC, the ATO and ASIC;
- US regulatory bodies such as US Internal Revenue Service, the Securities and Exchange Commission, and other US regulatory and government entities..

Because OXA is an introducing broker it will send personal information it collects overseas to OXI or other members of CSC so that OXI may decide whether or not to accept you as its client. We will share your personal information with other members of and any personal information shared with other members of CSC will also be dealt with by them in accordance with United States regulatory requirements.

Information on data collection (statistical data)

Other information that does not relate to an individual personally will be collected and used by OXA 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.

How can you access, update or correct your information?

You are entitled under the Australian Privacy Act to access your personal information and to request that it be corrected or updated as need be.

To change your personal information, (1) log in to your account and select the "**Account**" tab and then "**Profile**", (2) select the information you wish to update and make modifications, and (3) click "**Save**

Changes". You also may change your personal information by contacting customer service at 1300 781 132 or by submitting the request in writing to:

optionsXpress Australia Pty Limited
Attn: New Accounts Department
Unit 5, 4 Skyline Place
Frenchs Forest NSW 2086

If you believe there are errors in our records about you, please let us know and we will be happy to investigate and (where reasonably practicable) correct any inaccuracies.

How do I make a complaint?

While we always endeavour to get things right, we accept that we can get things wrong. If you have a complaint regarding your privacy, you may make a complaint and we will investigate your concerns.

To make a complaint, please send details

Via Post: 5/4 Skyline Plac, Frenchs Forest NSW 2086

Via Phone: 1300 781 132

Via Email: info@optionsxpress.com.au

If you are not satisfied with our handling of your complaint, you may complain to the Privacy Commissioner.

Choice/Opt-out

We will only send you electronic marketing promotions where you have opted in to receive them. If you do not wish to continue to receive electronic marketing promotions from optionsXpress Australia, you may opt-out of these communications by (1) logging into your account and selecting the "Account" tab "Profile" then "Email Preferences", (2) unchecking "Offers & Announcements", and (3) click on "Save Changes". You may also send us an e-mail to opt-out of marketing promotions.

You must provide us with a current e-mail address at all times even if you choose to no longer receive "Offers and Announcements" 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 provide you with to legal notices and service-related information.

Links

The Web site contains links to other Web sites. Please be aware that we are not responsible for the privacy or security practices of other Web sites. We encourage our users to be aware of when they leave the Web site and to read the privacy statements of each and every Web site that collects personal information. We also encourage you to review the Privacy Statements of our service providers available on their websites.