

CommSec **Financial** **Services Guide**

Issue Date 1 March 2019



The provider of the services described in this Financial Services Guide is the Australian Financial Services Licensee Commonwealth Securities Limited
ABN 60 067 254 399 Australian Financial Services Licence Number: 238814

Registered Office: Ground Floor, Tower 1, 201 Sussex Street Sydney NSW 2000.

Contents

Section One

Commonwealth Securities Limited

Part One	1
Important Information	1
Financial Services Guide	1
Other documents you may receive from us	1
Who are we?	2
What financial services and products do we offer?	2
How do you obtain our services?	3
How can you transact with us?	3
If we provide you with personal advice on financial products	3
If we provide you with further advice?	4
How do you pay for our services?	4
How are we remunerated for the services we provide?	4
Initial commissions paid to CommSec	4
Ongoing commissions paid to CommSec	4
How are our representatives remunerated?	5
Associations with related Product Issuers	6
Remuneration that may be received by Associated Parties	
Third Party Agreements	7
How is my customer information dealt with?	7
What should I do if I have a complaint?	8
How do we manage our compensation arrangements?	8
Part Two	9
Important information	9
Financial Services Guide	9
Fees and Charges for Non Advice Services	9
Trading in Australian Listed Shares and Derivatives	10
Fees and Charges for Margin Lending	11
Other Fees and Charges	11

CommSecIRESS Platform and additional service fees	12
Trading in Australian Shares and Derivatives using Web Iress	12
International Listed Shares, other Securities and Derivatives	14
Trading in CommSec CFDs	16
Commonwealth Smsf Set Up and Administration Service	19
CommSec Direct Funds	22
CommSec Advisory Fees and Charges for Advice Services	22
Australian Securities Advice Service	22
International Securities Advice Service	22
Listed Products Execution Only Service	22
Fees for Australian Securities Advice and Listed Products Execution Only Service	23
Fees for Trading of Australian Listed Shares and Derivatives settling to borrowed funds	23
Fees for International Securities Advice and Listed Products Execution Only Services	24
Asset Allocation Service	24
Managed Funds Execution Only Service	25
Fees for Asset Allocation and Managed Funds Execution Only services	25

Section Two

Shares Direct Nominees Pty Ltd

Important Information	27
Financial Services Guide	27
Other documents you may receive from us	27
Who are we?	27
What financial services and products do we offer?	27
How do you obtain our services?	28
How can you transact with us?	28
How do you pay for our services?	28
How are we remunerated for the services we provide?	28
Initial commissions paid to CommSec	28
Ongoing commissions paid to CommSec	29
How are our representatives remunerated?	29
Associations with related Product Issuers	30
How is my customer information dealt with?	30
What should I do if I have a complaint?	31
How do we manage our compensation arrangements?	31

Section one - Part one

IMPORTANT INFORMATION

FINANCIAL SERVICES GUIDE

This Financial Services Guide ("FSG") is an important document.

This FSG is divided into two Sections:

Section One provides you with information about Commonwealth Securities Limited ABN 60 067 254 399 ("CommSec", "we", "us" or "our") to help you to decide whether to use the financial services offered by CommSec.

Section Two provides you with information about Share Direct Nominees Pty Limited ABN 56 006 437 065 ("Share Direct") to help you decide whether to use the financial services offered by Share Direct as Authorised Representative of CommSec.

This Section One of the FSG is divided into two Parts:

Part One of this FSG explains the services and types of products CommSec can offer to you. It also explains how CommSec and our representatives are remunerated and provides details of any potential conflicts of interest and details of our internal and external complaints handling procedures and how you can access them.

Part Two of this FSG details the current list of fees or charges that you will pay for using CommSec's services.

OTHER DOCUMENTS YOU MAY RECEIVE FROM US

Statement of Advice

Whenever we provide you with any personal advice, you are also entitled to receive a Statement of Advice. Personal advice is advice that takes into account one or more of your objectives, financial situation and needs. The Statement of Advice will contain the advice, the basis on which it is given and information about fees, commissions and any associations with product issuers or other parties that may have influenced the advice.

Product Disclosure Statement

If we make a recommendation to acquire a particular financial product (other than securities such as listed shares) or offer to issue, or arrange the issue of, a financial product (other than securities such as listed shares) to you, we will provide you with a Product Disclosure Statement (PDS). The PDS contains information about the particular financial product including the features, benefits, fees and risk associated with that financial product to assist you in making an informed decision.

WHO ARE WE?

Any financial services offered to you will be provided by representatives of CommSec. CommSec is licensed under the Corporations Act 2001 (Cth) ("Corporations Act") to provide these services to you. Our Australian Financial Services Licence Number is 238814. CommSec is also a Participant of the ASX Group and Chi-X Australia.

CommSec is a wholly owned but non-guaranteed subsidiary of the Commonwealth Bank of Australia ABN 48 123 123 124 Australian Financial Services Licence number 234945 ("Commonwealth Bank") which is one of the largest and oldest financial institutions in Australia. Other members of the Commonwealth Bank Group may also be able to provide you with financial services and products.

WHAT FINANCIAL SERVICES AND PRODUCTS DO WE OFFER?

CommSec is authorised to offer the following financial services:

- Deal in financial products
- Provide financial products advice*
- Make a market in financial products
- Provide a custodial/depository service

We provide financial product advice* and deal in:

- Deposits
- Securities (such as shares and debt securities)
- Derivatives (such as options and contracts for difference)
- Managed investments
- General insurance
- Superannuation
- Foreign exchange contracts
- Margin Lending facilities¹

We make a market in:

- Securities
- Derivatives

Share Direct, as our authorised representative, provide a custodial service in the safekeeping of securities for clients.

* The provision of financial product advice is provided through CommSec Advisory and eligibility criteria must be met. Details regarding this criteria can be obtained by contacting 1800 332 767.

NOTES:

¹ Margin Lending facilities issued post 1st January 2011

HOW DO YOU OBTAIN OUR SERVICES?

If you have been provided with a nominated representative, please contact your representative directly. If you do not have a nominated representative, please:

- Call CommSec on 13 15 19
- Visit: www.commsec.com.au
- Write to us at:
Locked Bag 22
Australia Square NSW 1215

HOW CAN YOU TRANSACT WITH US?

You can give us instructions by telephone, and in some cases, through the CommSec platforms.

Orders in relation to securities will be executed in accordance with our Best Execution Policy. A copy of our Best Execution Policy is available at www.commsec.com.au.

IF WE PROVIDE YOU WITH PERSONAL ADVICE ON FINANCIAL PRODUCTS

We only provide personal advice to you where you use the services of one of our representatives. We will not give you personal advice in our regular updates or marketing material, or when you visit our website. In order to provide you with personal advice we will ask you about your objectives, financial situation and needs. If you choose not to provide this information we may not be able to advise you or our advice to you may be general or limited only.

Tax advice should be sought from a registered tax agent.

IF WE PROVIDE YOU WITH FURTHER ADVICE?

If we provide you with personal financial product advice, you will initially receive a Statement of Advice ("SOA"). Where you maintain the advice relationship with us, an SOA is generally not provided for further advice situations provided that your personal circumstances, financial situation, investment objectives and particular needs and the basis of the advice are not significantly different. However we are required to keep a record of the further advice.

You may request a copy of the record of advice we keep. Any request must be made within 7 years of the provision of such advice, and should be directed to your nominated representative.

HOW DO YOU PAY FOR OUR SERVICES?

Part Two of the FSG details the current list of fees or charges that you will pay for using our services.

Unless otherwise indicated, prices shown in this FSG are in Australian Dollars (A\$) and include applicable GST.

In the case of charges incurred from the ASX Derivative Clearing System, these have been set out on a GST exclusive basis as the total GST may be rounded in accordance with the GST law.

HOW ARE WE REMUNERATED FOR THE SERVICES WE PROVIDE?

CommSec is remunerated directly through the fees we charge you. With certain products, we may also be remunerated by product providers, including those within the Commonwealth Bank Group and non-related product providers, through commissions where CommSec may refer you to, or provide you with financial services and products from, those product providers.

INITIAL COMMISSIONS PAID TO COMMSEC

Initial commissions may be a one off payment and are calculated as a percentage of the funds you have invested. They may be deducted from the amount invested. Initial commissions may be calculated as follows:

- Investment products – between 0% and 6.5% of your investment amount.
- Insurance products – between 0% and 30% of the premium that you pay.

ONGOING COMMISSIONS PAID TO COMMSEC

Ongoing commissions (sometimes referred to as trailing commissions) may be paid for the length of time you hold the product. They are usually paid directly to CommSec by the product provider out of the revenue the product provider earns. In some cases, they may be deducted from your investment.

Ongoing commissions may be calculated as follows:

- Investment products – between 0% and 1.4% of the investment amount.

Example

Assume that you invested \$10,000 in an investment product and maintained that investment. If CommSec charged an initial commission of 2% and received an ongoing commission of 0.5% from the product provider, then:

- CommSec would receive \$200 as an initial commission; and
- CommSec would receive \$50 per annum as an ongoing commission.

In these cases, we will disclose any such remuneration arrangements when we provide you with any personal advice or make a recommendation to invest, or otherwise when we arrange any investment for you.

Finance Brokers

CommSec may pay a referral fee to finance brokers where those brokers refer persons to CommSec in respect of the Commonwealth Bank Protected Portfolio Loan product. The referral fees are:

Initial Facility	Referral Fee
\$50,000 - \$500,000	\$150
Over \$500,000	\$250

Note: The fee will be calculated on the initial facility limit (not drawings) and includes GST.

Specialist Service Providers

CommSec may receive referrals from other third party referrals. CommSec may pay a commission of up to 50% of any revenue generated by such referrals.

HOW ARE OUR REPRESENTATIVES REMUNERATED?

CommSec is remunerated directly through the fees we charge you. Our representatives are remunerated by salary that include superannuation benefits from CommSec or the Commonwealth Bank and do not directly receive any commissions or fees. They may be eligible for a bonus payment relating to their overall performance during the year. Some representatives' bonus payments may be up to 45% of the fees and commissions that CommSec receives from the placement of a financial product.

These bonus payments are discretionary, and based on achievement of predetermined business objectives and may include but are not limited to:

- Business
- Customer
- People
- Productivity
- Risks

Our representatives may also be eligible to:

- Share in incentives (both monetary and non-monetary) rewarded for outstanding service;
- Receive a free grant of Commonwealth Bank shares under the Commonwealth Bank's Employee Share Acquisition Plan (ESAP);
- Receive indirect benefits stemming from advice provided to you. Indirect benefits include such things as business lunches, tickets to sporting and cultural events (including overseas study tours), corporate promotional merchandise and other similar benefits from product providers whose products they recommend.

ASSOCIATIONS WITH RELATED PRODUCT ISSUERS

As a member of the Commonwealth Bank Group, we deal in and advise on products provided from related Commonwealth Bank Group companies or we may refer you to these Commonwealth Bank Group companies, which include, but are not limited to, the Commonwealth Bank, Colonial First State Investments Limited, Commonwealth Insurance Limited and Commonwealth Managed Investments Limited.

CommSec may receive a commission payment from related Commonwealth Bank Group companies as a result of you investing in one of their products or services.

Referrals to Commonwealth Financial Planning, CommInsure, Commonwealth Private and other Commonwealth Bank Group Companies

Should you take up a product as part of a referral to Commonwealth Financial Planning, CommInsure, Commonwealth Private or other Commonwealth Bank Group companies, then CommSec may receive a commission of up to 100% of the revenue generated by any fees or premiums you pay to them.

Should you take up a product as part of a referral to CommSec from Commonwealth Financial Planning, CommInsure, Commonwealth Private or other Commonwealth Bank Group companies, then CommSec may pay them a commission of up to 100% of any revenue generated by fees or premiums you pay to CommSec.

Margin Lending Remuneration

CommSec Margin Lending Facilities are provided by the Commonwealth Bank and administered by CommSec. If you take out a CommSec Margin Loan, the Commonwealth Bank (or its nominated related entity) will receive the interest payable on the outstanding balance of your margin lending facility.

For example, if the outstanding balance on your margin lending facility is \$100,000 and the current variable interest rate is 9.25% p.a., you will pay \$9,250 per year, or \$770.83 per month, in interest to the Commonwealth Bank.

Please refer to the CommSec website at www.commsec.com.au or call 13 17 09 to enquire about the current prevailing available interest rates and options. There are no application fees, establishment fees or account keeping fees unless you are applying as a company or trustee. A default (higher) interest rate may apply if you do not pay on time.

In consideration for its services in administering CommSec Margin Lending Facilities, the Commonwealth Bank pays a management fee to CommSec on a cost-recovery and compensation basis being 150% of actual costs incurred by CommSec.

These remuneration arrangements apply where personal advice is not given by CommSec.

REMUNERATION THAT MAY BE RECEIVED BY ASSOCIATED PARTIES

THIRD PARTY AGREEMENTS

CommSec has agreements with a number of Australian Financial Services Licensees allowing them to provide a broking service to their clients through CommSec. Under these third party agreements, CommSec receives brokerage for the following services:

- Non-Advice Service: CommSec receives a brokerage fee for:
 - each share trade of \$26.95 or 0.11% of the transaction value, whichever is the greater for internet trades and \$31.60 or 0.15% of the transaction value, whichever is the greater for phone trades;
 - Web IRESS share and Warrant trades of \$33.00 for trades up to \$250,000, then \$8.80 for every \$100,000 thereafter; and
 - Exchange Traded Options trades of \$34.95 over the internet up to \$10,000 in premiums, or 0.35% of the premium over \$10,000.

In addition, commission may be paid to the Australian Financial Services Licensee. Refer to pages 9 to 13 for brokerage details.

- Direct Equities and Options Advice Service: CommSec receives a brokerage fee of between 0% and 2.20% of the transaction value of each trade and may also receive an ongoing fee of between 0% and 0.40% pa of the transaction value. In addition, brokerage or fees may be paid as commission to the Australian Financial Service Licensee. Refer to page 22 for brokerage and fee details.

HOW IS MY CUSTOMER INFORMATION DEALT WITH?

At CommSec, the privacy of your customer information is important to us. We collect your customer information to ensure that we are able to provide you with the products and services most appropriate to your needs.

Telephone conversations with CommSec may be recorded to ensure our service standards are met or exceeded and to allow records to be kept of the advice given and orders taken.

CommSec has adopted the principles set out in the Privacy Act 1998 (Cth) as part of our continuing commitment to client service and maintenance of client confidentiality. Further details are contained in the terms and conditions for each product. Please also refer to our Privacy Policy at www.commsec.com.au or ask your representative for a copy.

WHAT SHOULD I DO IF I HAVE A COMPLAINT?

If you are not satisfied with the service or advice you receive from us, you are entitled to complain. We have established procedures to ensure that all enquiries and complaints are properly dealt with.

To save yourself valuable time, gather all the facts and documents about your complaint, think about the questions you want answered and decide what you want us to do.

Next, contact the department that handled the matter and explain the problem. A quick call is all that is required to resolve most issues. If you are unsure which department to contact, please call CommSec on 13 15 19 and speak to an Equities Associate.

If your complaint is not satisfactorily resolved within 3 business days after you first notified us, please put your complaint in writing addressed to CBA Group Client Relations:

By fax: 1800 025 542
By email: www.commbank.com.au/feedback
By mail: CBA Group Customer Relations
Reply Paid 41,
Sydney NSW 2001

If, after giving CBA Group Client Relations the opportunity to resolve your complaint, you feel we have not resolved it satisfactorily, you may also lodge a written complaint with the Australian Financial Complaints Authority ("AFCA"):

For further information please contact AFCA at:

Online: www.afca.org.au
Email: info@afca.org.au
Phone: 1800 931 678 (free call)
Mail: Australian Financial Complaints Authority
GPO Box 3, Melbourne VIC 3001

HOW DO WE MANAGE OUR COMPENSATION ARRANGEMENTS?

Where we are liable to meet a claim, payment will generally be paid from our cash flows and available resources. For claims, we may rely on and claim under the professional indemnity insurances that we hold. These insurances are between us and the insurer and are intended to respond to civil liability resulting from significant claims for compensation made against us for financial services provided by us or our representatives. These insurances provide cover even if one of our representatives has ceased to act or work for us. Our compensation arrangements comply with the arrangements required by Australian Securities and Investments Commission.

Section one – Part two

IMPORTANT INFORMATION

FINANCIAL SERVICES GUIDE

This Part Two of Section One of this FSG details the current list of fees or charges that you will pay for using our services. Any fees and charges relating to specific products can be found in the relevant Product Disclosure Statement.

Unless otherwise indicated, prices shown in this FSG are in Australian Dollars (A\$) and include applicable GST.

FEES AND CHARGES FOR NON-ADVICE SERVICES

If you use the following services, we will not provide you with any personal advice. This means that we will not take into account your objectives, financial situation and needs. Accordingly, a SoA will not be provided.

TRADING IN AUSTRALIAN LISTED SHARES AND DERIVATIVES

Trade Execution	Brokerage fee amount by transaction value ¹
Trade online and settle your trade to a CDIA ² or CommSec Margin Loan ²	\$10.00 (Up to and including \$1,000) \$19.95 (Over \$1,000 up to \$10,000 (inclusive)) \$29.95 (Over \$10,000 up to \$25,000 (inclusive)) 0.12% (Over \$25,000)
Trade online and settle into a bank account of your choice	\$29.95 (Up to and including \$9,999.99) 0.31% (\$10,000 and above)
Trade over the Phone ³	\$59.95 (Up to and including \$10,000) 0.52% (Over \$10,000 up to \$25,000 (inclusive)) 0.49% (Over \$25,000 up to \$1,000,000 (inclusive)) 0.11% (Over \$1,000,000)
CommSec Share Packs online ⁴	\$66 per pack of 6 stock (equates to \$11 per stock ⁵)
CommSec Share Packs over the phone ⁴	\$181.50 per pack of 6 stock (equates to \$30.25 per stock ⁵)
Trades requiring settlement through a third party ⁶	\$99.95 (Up to and including \$15,000) 0.66% (Over \$15,000)
Exchange Traded Options ⁷ traded online, (also charged upon exercise or assignment of the option)	\$34.95 (Up to and including \$10,000) 0.35% (Over \$10,000)
Exchange Traded Options ⁷ traded over the phone, (also charged upon exercise or assignment of the option)	\$54.60 (Up to and including \$10,000) 0.54% (Over \$10,000)
One Off Trades	\$66.00 (Up to and including \$10,000) 0.66% (Over \$10,000)
Deceased Estates	\$59.95 (Up to and including \$10,000) 0.52% (Over \$10,000 up to \$25,000 (inclusive)) 0.49% (Over \$25,000 up to \$1,000,000 (inclusive)) 0.11% (Over \$1,000,000)
Issuer Sponsored Sale Fee ⁸	\$10.00

NOTES:

- 1 Unless otherwise indicated, where a fee or charge is expressed as a percentage, it refers to a percentage of the transaction value. For GST rounding reasons, the final brokerage fee may vary from the state or expected brokerage fee by a couple of cents.
- 2 To be eligible, you must trade online, be CHESS Participant Sponsored with CommSec and settle your trades through either a Commonwealth Direct Investment Account (CDIA) or a CommSec Margin Loan.
- 3 Brokerage charged (shares, warrants and listed managed investments): Brokerage at these rates applies each time you buy or sell a stock, warrant or listed managed investment.
- 4 Normal brokerage will apply when a stock acquired through CommSec Share Packs is subsequently sold.
- 5 Brokerage amount per individual stock is quoted as should there be a trading halt on a stock in a pack at the time of purchase, there will be no substitution for that stock and brokerage will only be charged on the purchased stock.
- 6 Includes CommSec Margin Lending and CommSec Adviser Services Investment Lending Trades and where the Commonwealth Bank exercises its rights under the loan terms and conditions.
- 7 ETO ASX Clear Pty Ltd fees also apply. See page 11 for the "Other Fees and Charges" of this FSG.
- 8 Sale of shares not CHESS sponsored with CommSec may incur an additional brokerage charge to cover administration costs.

FEES AND CHARGES FOR MARGIN LENDING

The following fees apply to CommSec Margin Lending.

You can obtain current interest rates for the CommSec Margin Loan* on the CommSec website at commsec.com.au

*You should obtain and consider the CommSec Margin Lending Product Disclosure Statement, available from the Commonwealth Bank of Australia (ABN 48 123 123 124 AFSL 234945) as the product issuer, at commsec.com.au or by calling 13 17 09 before making any decision about the product.

Dishonoured cheque or direct debit/direct credit fee	\$30
Personal Property Securities Register (PPSR) registration fee	The government fee may be payable to register or amend the registration of the Security Interest on the PPSR.
Trust investigation fee	A minimum fee of approximately \$200 will apply for Trust Deed Investigation if a Trust is the borrower or security provider to the loan and the Trust's total loan exposure to the Bank will be greater than \$500,000. The fee will be charged to the loan, unless there is insufficient collateral, in which case we will debit the nominated bank account.
Early repayment adjustment	An early repayment adjustment may be payable after allowing for a refund of any interest paid in advance. The fee is calculated using the criteria in the Margin Lending Terms and Conditions.
Additional statement fee	\$10 per statement

OTHER FEES AND CHARGES

CommSec tries to keep all fees and charges to an absolute minimum. However sometimes we need to cover one-off costs to make sure that our everyday charges remain low. These fees apply in addition to brokerage.

Fail fee – Buy or option	\$100.00 per day
Fail fee – Sell or Short Sell	\$100.00 per day or 0.1% of transaction value, whichever is greater
SRN query, rebooking fee	\$25.00
Off market transfer fee	\$54.00 per transfer
Dishonoured cheque fee	\$54.00
Early settlement fee – Sell ¹	\$54.00 minimum
Late settlement fee – Buy or Short Sell	\$100.00
Third party registration fee, third party trade fee	\$104.00
Deceased estate share transfer to beneficiary	\$54.00 per stock per beneficiary
Reprinting and postage of account statements	\$10.00 per statement
Reprinting and postage of CHESS statement	\$16.50 per stock
Printing and postage of trade Confirmation Contract Note	\$1.95
ETO Rebooking Fee	\$27.50
ETO ASX Clear Pty Limited fees per contract	\$0.13 (GST exclusive) Equity Trades \$0.05 (GST exclusive) Equity Exercise/Assignment \$0.45 (GST exclusive) Index Trades \$0.35 (GST exclusive) Index Exercise/Assignment
Urgent transfers ²	\$10 per urgent transaction request
Portfolio Manager fee	\$120.00 p.a. for up to 5 portfolios

NOTES:

- 1 Or charged at the Commonwealth Bank of Australia Overdraft Reference Rate for the number of days settled early.
- 2 Refers to request to transfer funds from a BankWest account, same day. Requests must be submitted to CommSec before 1pm Sydney time on ASX settlement day.

OTHER FEES AND CHARGES (CONTINUED)

Premium Research	
Morningstar Subscription Fee	\$29.95 per month

Morningstar Premium:

Morningstar Premium Research offers in depth analysis, recommendations and access to a range of sophisticated tools and features. Premium features include Buy/Sell/Hold/Avoid/Lighten/Accumulate recommendations and analysis across the ASX 300 including recommendation changes, a Value Model Tool, a customised Portfolio Tool, a research based Model Portfolio tool covering a portfolio of income and growth stocks and a Corporate Calendar highlighting key company events, including a dividend schedule, across all industry sectors. Morningstar Premium also provides more detailed information than general access via Company Research (\$29.95 per month).

COMMSECIRESS PLATFORM AND ADDITIONAL SERVICE FEES

Service	Inclusion	Cost per calendar month
CommSecIRESS subscription¹	Access to CommSecIRESS Charged in arrears for the previous month	\$82.50
Standard International Markets	Live data feed of closing prices for International Market indices	Additional \$11.00 ²
Premium International Markets	Standard International Markets plus additional real-time indices and AAP Financial News	Additional \$95.70 ²
Domestic Markets	Dow Jones Australian News	Additional \$55.00 ²

NOTES:

1 No fee is charged if 8 or more contract notes are generated for the month or a client pays more than \$220 in brokerage for the month.

2 These fees are in addition to the CommSec IRESS Subscription Fee.

TRADING IN AUSTRALIAN SHARES AND DERIVATIVES USING WEB IRESS**Select Traders***

Software and Platform Fees	
Web Iress Software Fee¹	This is a royalty and software fee charged for clients who use the electronic trading platform supplied by Iress Market Technology at a maximum of \$40.70 per month.
Platform Data Fee²	This is an ASX royalty fee charged at 2.53 cents per minute between 9.30am and 5.00pm on weekdays, for live ASX equity and option prices, up to a maximum of: <ul style="list-style-type: none"> \$41.25 per month for non-professional investors; or \$49.50 per month for professional investors.

Additional IRESS services are available at a cost. Please contact your CommSec account manager for pricing.

NOTES:

- 1 No Software Fee is charged if 16 or more contract notes are generated for the month. No fees are payable if a client elects not to log on to the trading platform during the month.
 - 2 No data fee is charged if eight (8) or more contract notes are generated for the month. No fees are payable if a client elects not to log onto the trading platform during the month.
- * Eligibility criteria must be met. Details regarding these criteria can be obtained by contacting 1300 307 715.

The following trade execution fees apply in addition to the above Software and Platform Fees.

Software and Platform Fees	
Web Press Equities and Warrants Trading	<p>\$33.00 for trades up to \$250,000, then 0.025% of the transaction value thereafter.</p> <p>Confirmation Contract Notes are issued at the end of a trading day for a buy or sell in an individual stock (the order may not be complete). If the balance of the order is filled the next day then a new Confirmation Contract Note would be issued.</p>
Options (ETOs) Trading Fees¹	<p>\$34.95 for orders under \$10,000 in premium or 0.35% above \$10,000.</p> <p>ETO ASX Clear Pty Ltd fees also apply. See the "Other Fees and Charges" Section.</p>
Exercise of Option (ETO)	<p>\$33.00 for orders under \$10,000 transaction value or 0.35% above \$10,000. ETO ASX Clear Pty Ltd fees also apply. See the "Other Fees and Charges" Section.</p> <p>If CommSec is required to purchase stock at prevailing market rates to fulfil the exercise for a Put option, there will be an additional brokerage charge of \$33.00.</p>

NOTES:

- 1 Orders placed via the phone service for clients who also trade via Webpress will be charged at the 'Exchange Traded Options over the phone' brokerage rate on page 10 of this FSG.

INTERNATIONAL LISTED SHARES, OTHER SECURITIES AND DERIVATIVES

If you use the International Listed Shares and Derivatives service, we will not provide you with any personal advice. This means that we will not take into account your personal objectives, financial situation and needs. Accordingly, a Statement of Advice will not be provided.

1. Brokerage Charges – US Markets

Equities	
Listed Equities	USD \$19.95 for trades up to USD \$5,000 USD \$29.95 for trades up to USD \$10,000 0.31% for trades above USD \$10,000 ¹
OTC Equities (Including NASDAQ)	USD \$19.95 for trades up to USD \$5,000 USD \$29.95 for trades up to USD \$10,000 0.31% for trades above USD \$10,000 ¹
Options	
US Exchange Traded Options	USD \$65.00 or 0.75% of the option premium whichever is greater ¹ plus US\$1.10 per contract
Other	
Managed Funds	USD \$19.95 for trades up to USD \$5,000 USD \$29.95 for trades up to USD \$10,000 0.31% for trades above USD \$10,000 ¹

2. Brokerage Charges – Non US Markets²

Equities	
Listed Equities	USD\$39.95 or 0.40% whichever is greater ¹

NOTES:

- For all limit and market orders which are not fully executed in the same trading day, normal brokerage will be charged for the total portion executed per day. Brokerage charges may be converted and applied in the local currency. This may result in variances in the USD equivalent brokerage being applied. Unless otherwise indicated, where a fee is expressed as a percentage, it refers to a percentage of the transaction value.
- Canadian trades will attract an additional fee of 0.15%. For a full list of countries that charge an additional fee, please contact the CommSec International Desk on 1300 361 170.

3. Other Fees

Miscellaneous Fees and Charges	
Custody Fee for inactive accounts¹	USD \$25.00 per year
Posted Trade Confirmation Fee	USD \$1.80 per trade confirmation
Posted Statement Fee	USD \$1.80 per statement

NOTES:

- 1 Custody fees are assessed to accounts defined as inactive, that is, accounts holding a security position for a calendar year (1 January to 31 December) without generating a trade, or margin interest of USD \$100 or more. Systematic reinvestment activity in mutual funds and/or exchange activity in mutual funds will be considered as a trade. However, dividend reinvestment activity is not considered as a trade.

4. Debit Interest

Interest On Overdue Balances:
Interest will be charged on overdue/unpaid accounts. This will be charged directly to your account with Pershing at the Pershing Base Lending Rate (PBLR) plus 150 basis points.

NOTES:

CommSec reserves the right to pass through to your account any additional charges, or changes to existing charges, that CommSec may incur as a result of changes in industry practices or through the course of normal business operations. This may include costs incurred from negative interest rates. You will be notified of any of the aforementioned changes prior to their implementation.

5. FX Rate

Foreign exchange conversion fee is 0.60% for each FX transaction on your International Trading Account.*

* For trades in currencies to which certain restrictions apply, currency must first be transferred from USD and will incur a small additional spread. Alternatively trades can be settled in USD.

TRADING IN COMMSEC CFDS

CommSec CFD Commissions - Shares

For CommSec CFD contracts over shares, when you open and close a CommSec CFD position you will need to pay brokerage costs, known as commission, to us, based on the transaction value or as an amount per share in the underlying market subject to a minimum charge. Commission listed below is charged in the currency of the CommSec CFD contract.

Market	Contract Currency	Minimum Charge	Commission
Australian	AUD	\$ 10.00	0.10%
UK	GBP	£ 15.00	0.10%
US	USD	\$ 15.00	2.5 cents per share
France	EUR	€ 15.00	0.10%
The Netherlands	EUR	€ 15.00	0.10%
Spain	EUR	€ 15.00	0.10%
Germany	EUR	€ 15.00	0.10%
Italy	EUR	€ 15.00	0.10%
Switzerland	CHF	Fr. 15.00	0.10%
Canada	CAD	\$ 15.00	4 cents per share
Singapore	SGD	\$ 50.00	0.20%
Hong Kong	HKD	\$ 160.00	0.40%
Japan	JPY	¥ 2400	0.10%

CommSec CFD Spreads – Instruments other than Shares

For CommSec CFD contracts over instruments other than shares, when you open and close a CommSec CFD position you will pay the difference between our buy quote and our sell quote known as the “spread”. The spread will vary according to the market concerned and is subject to variation, especially in volatile market conditions, and we may change our spreads at any time. Wider spreads for stock indices apply when they are quoted outside normal market hours. The maximum spread per asset class is detailed below.

Market	Maximum Spread
Indices	400
Foreign Exchange	3000
Commodities	500

OTHER FEES

	Description	Fee
Stock Borrowing Charge	Where you short a Share CFD position, you will incur a borrowing charge. CommSec also incurs a charge when our counterparty opens a hedging trade in respect of the same share in the Underlying Market, and we will pass the charge onto you with no mark-up. The borrowing charge will be calculated and posted to your CFD Account daily	Please contact CommSec prior to dealing to determine whether a stock borrowing charge will apply.
Limited Risk Premium	Limited Risk CFDs are available on certain CFDs at our sole discretion. Limited Risk CFDs carry a Limited Risk premium, which is paid on the opening of the position. This premium is in addition to any applicable Commission and Spread charges. The Limited Risk premium is calculated as a percentage of the underlying Transaction value, and may vary according to the volatility of the underlying Instrument.	The maximum Limited Risk premium is as follows: <ul style="list-style-type: none"> • Share CFD — 5% • Index CFD — 200 points • FX CFD — 300 pips • Commodity CFD — 500 points
Currency Conversion Charge	When your position is closed, any foreign Currency profit and loss will be converted to Australian dollars before being applied to your CFD Account. Charges such as funding, commission or dividends will also be converted to Australian dollars before being applied to your CFD Account.	Conversions will be at a rate no less favourable to you than 0.5% below or above (as the case may be) the prevailing interbank mid-market spot Exchange Rate at the time of conversion.

Exchange Fees	The prices we publish for Share CFDs are supplied to our Electronic Trading Platform from the relevant Exchange. Charges are incurred whenever we distribute data in this manner. These exchange fees may change from time to time and are available on our Electronic Trading Platform.	Monthly subscription service. Prices vary by exchange. Please refer to our Electronic Trading Platform for further details.
Advanced Charts	ProRealTime is an advanced charting package engineered by IT Finance, a third party charting specialist. The package is fully integrated into the CommSec CFD Trading Platform. This is a monthly subscription service; you can update your subscription settings on our electronic trading platform.	Please refer to our CFD Electronic Trading Platform for monthly subscription price.

FUNDING CHARGES

Underlying	Overnight funding charge
Shares/Indices/ETFs/Commodities (excluding Gold and Silver)*	The relevant interbank rate +/-2.5%
Gold and silver	The relevant 'tom-next' rate
Foreign Exchange	The relevant 'tom-next' rate + admin charge of 0.8%

*For mini contracts overnight funding charge is the relevant interbank rate +/-3%.

COMMONWEALTH SMSF SET UP AND ADMINISTRATION SERVICE

Commonwealth SMSF helps you with:

- Setting up or transferring the administration of your SMSF
- Consolidated reporting and electronic document storage
- Support from our dedicated team. Your dedicated client service representative will help you meet trustee obligations and can make available resources to assist you with your SMSF compliance and reporting obligations
- Monitoring and alerts for investment strategy, contributions and pensions
- Tax, accounting and audit services
- Access to supplementary services including actuarial certification and trust deed amendments.

FEES

Initial fees

Setting up a new SMSF

Fee Type	Fee ^{1,4}
Establish SMSF	\$550
Provide trust deed ²	\$350
Establish a company to act as a corporate trustee (optional)	\$900

Transferring administration of an SMSF

Fee Type	Fee ^{1,4}
Transfer administration (this includes a trust deed replacement if requested)	\$250
Update current financial year accounts	\$185 per month
Prepare prior year accounts and tax returns (if required)	\$1795 for each year outstanding

Annual fees

Administration

Fee Type	Fee ^{1,4}
Fund holds Commonwealth Bank Group selected products only and those products have a data feed ³ (Admin fees debited in monthly instalments)	\$1995
Fund holds <ul style="list-style-type: none"> ♦ any Commonwealth Bank Group products; or ♦ products not issued by Commonwealth Bank Group; or ♦ a mix of above products, and these products have a data feed (Admin fees debited in monthly instalments)	\$2495

Additional Administration fee

Fee Type	Fee ^{1,4}
If your SMSF holds assets that require us to manually input valuations and transactions due to the product not having a data feed then regardless of product issuer an additional administration fee will be charged	\$295 per asset

Audit

Fee Type	Fee ^{1,4}
Audit (debited in monthly instalments)	\$495

Additional services

Fee Type	Fee ^{1,4}
Trust deed amendment ² (if requested)	\$220 per deed update
Actuarial certificate for account based, allocated and term allocated pension (if required)	\$220 per year when required
Actuarial certificate for defined benefit pension (if required)	\$440 per year when required
Segregated assets (if requested) (debited monthly)	\$1200 per segregation
Remedial and other work (if requested)	\$165 per hour
Technical Services	\$350 per hour

Borrowing arrangement (optional) – fees to set up a limited recourse borrowing arrangement (LRBA) to purchase real property or other assets. These fees may be payable to a third party service provider.

Fee Type	Fee ^{1,4}
LRBA – commercial lender	\$1100
LRBA – related party lender	\$1700
Security trustee establishment	\$900
Ongoing LRBA fee (non–real property asset)	\$120 per month

SMSF wind up or transfer to another administrator

If you wind up your SMSF or transfer your SMSF to another administrator within the first 12 months of joining the Commonwealth SMSF service, you will be required to pay the balance of the first 12 months' administration fees, calculated as the number of months remaining to 12 months multiplied by the administration fees for the month immediately prior to the wind up or transfer.

If you give us notice of winding up your SMSF or transferring your SMSF to another administrator after 12 months of joining the Commonwealth SMSF service, you will be required to pay administration fees to the end of the month in which the wind up or transfer is completed.

Regulators	Fee ^{1,4}
ATO supervisory levy	As advised by ATO
ASIC	As advised by ASIC

Notes

1. Fees are inclusive of GST where applicable.
2. Government stamp duty may be payable.
3. Includes SMSF CDIA, CommSec Share Trading Account, Term Deposit.
4. You will be notified in advance of increases in fees.

COMMSEC DIRECT FUNDS

CommSec Direct Funds is an investment product distribution service for retail managed funds and personal superannuation funds via CommSec's website. Fund Managers generally charge an entry fee of which CommSec rebates up to 100% of this fee to you in the form of additional units in the fund or via cheque. Further information regarding fees and charges relating to specific managed funds can be found on our website at www.commsec.com.au. Please refer to the section entitled "Ongoing Commissions paid to CommSec" on page 4 of this FSG for information regarding ongoing commissions paid to CommSec.

COMMSEC ADVISORY FEES AND CHARGES FOR ADVICE SERVICES

If you use the Advisory Services set out below, we may provide you with personal advice and will take into account one or more of your objectives, financial situation and needs. A Statement of Advice will generally be issued (except for "Further Advice", refer to page 4 of this FSG).

AUSTRALIAN SECURITIES ADVICE SERVICE

Your Adviser may provide advice (including personal advice and general advice) and execution only services on Australian securities which include shares, exchange traded options, warrants and managed investment products. In addition, your Adviser may also provide advice on deposit and payment products and standard margin lending facilities. Both internal and external research is sourced to help you construct an investment portfolio that meets your investment objectives.

In addition to investment portfolio construction, your Adviser may also recommend a wrap or administration platform.

Fees, brokerage and commissions payable for this Service will be discussed with you before you proceed with any transactions or advice under this Service. The fees are explained in the section entitled "Fees for Australian Securities Advice and Listed Products Execution Only Service" and "Fees for Trading of Australian Listed Shares and Derivatives Settling to Borrowed Funds" on page 23 of this FSG and "Fees for Asset Allocation and Managed Funds Execution Only Services" on page 25 of this FSG.

INTERNATIONAL SECURITIES ADVICE SERVICE

In conjunction with the Australian Securities Advice Service, your Adviser may provide advice (including personal advice and general advice) and execution only services on International securities which include shares, exchange traded options, warrants and managed investment products. In addition, your Adviser may also provide general advice and execution only services on Foreign Exchange. External Research is sourced to help you construct an investment portfolio that meets your investment objectives.

Fees, brokerage and commissions payable for this Service will be discussed with you before you proceed with any transactions or advice under this Service. The fees are explained in the section entitled "Fees for International Securities Advice and Listed Products Execution Only Services" on page 24 of this FSG.

CommSec Advisory Advisers are generally available during business hours within Australia. In the event that you have a market related enquiry outside of these hours, the CommSec International desk will be available during US market hours on 1300 361 170.

LISTED PRODUCTS EXECUTION ONLY SERVICE

This service enables you to invest in a wide range of listed products. Although there is no advice provided with this service, and therefore no Statement of Advice will be provided, your Adviser is able to make the execution of your trades easier.

Fees, brokerage and commissions payable for this Service will be discussed with you before you proceed with any transactions under this Service. The fees are explained in the section entitled "Fees for Australian Securities Advice and Listed Products Execution Only Service" on page 23 of this FSG and the section entitled "Fees for International Securities Advice and Listed Products Execution Only Services" on page 24 of this FSG.

FEES FOR AUSTRALIAN SECURITIES ADVICE AND LISTED PRODUCTS EXECUTION ONLY SERVICE

Service	Advice Fee	Brokerage Charged ²	Ongoing Fees ³
Australian Securities Advice	\$0 to \$3,000 ¹	Up to 2.2% of transaction value subject to a minimum of \$150 per trade	0% pa to 1.4% pa of investment amount and up to \$2,200 pa
Listed Products Execution Only Service	N/A	Up to 2.2% of transaction value subject to a minimum of \$150 per trade	0% pa to 1.4% pa of investment amount
Third Party Agreements⁴	N/A	Up to 2.2% of transaction value subject to a minimum of \$150 per trade	0% pa to 1.4% pa of investment amount

NOTES:

- Advice Fee for Australian Securities Advice: this fee applies to the construction, review or re-balancing of a portfolio.
- Brokerage charged for Australian Securities Advice and Listed Products Execution Only Service:
 - Shares, warrants and listed managed investments: brokerage at these rates applies each time you buy or sell a stock, warrant or listed managed investment;
 - Exchange Traded Options: brokerage at these rates applies to the option premium each time you open or close a position and will be charged up to 2.2% of the option premium, subject to a minimum of \$150 per trade. Any assigned or exercised positions will be charged up to 2.2% of the transaction value, subject to a minimum of \$150 per trade.
 ASX Clear Pty Ltd fees also apply for Exchange Traded Options. See the section entitled "Other Fees and Charges" on page 11 of this FSG.
- Ongoing fees for Australian Securities Advice and Listed Products Execution Only Service:
 - Wrap products and related accounts: ongoing fees are agreed charges for ongoing advice services provided by Advisers and may range from 0% pa to 1.4% pa of the investment amount;
 - Margin Lending facilities and related accounts: ongoing fees may range from \$0 to \$2,200 pa.
 These fees may be charged in addition to the Advice Fee.
 CommSec may also receive ongoing commissions from product providers for selling certain products. See the section entitled "Ongoing Commissions paid to CommSec" on page 4 of this FSG for more information.
- Third Party Agreements: CommSec has agreements with a number of Australian Financial Services Licensees who may refer clients to us. See the section entitled "Remuneration that may be received by Associated Parties" and "Third Party Agreements" on page 7 of this FSG for more information.

FEES FOR TRADING OF AUSTRALIAN LISTED SHARES AND DERIVATIVES SETTLING TO BORROWED FUNDS¹

Service	Trade Execution [*]	Advice Fee ³
Australian Shares and Derivatives	\$59.95 or 0.65% up to \$25,000 ² 0.65% above \$25,000 up to \$500,000 0.52% above \$500,000 up to \$1 million 0.11% of transaction value above \$1 million	\$0 to \$200

NOTES:

- These fees only apply to Retail clients. The fees outlined in the section entitled "Fees for Australian Securities Advice and Listed Products Execution Only Service" on page 23 of this FSG apply to Professional and Sophisticated Investors.
 - The greater value of \$59.95 or 0.65% of transaction value will be applied.
 - The Advice Fee applies to the advice provided on a specific order with a maximum fee of \$200 applying. This Advice Fee is in addition to any trade execution costs.
- * Unless otherwise indicated, where a fee is expressed as a percentage, it refers to a percentage of the transaction value.

FEES FOR INTERNATIONAL SECURITIES ADVICE AND LISTED PRODUCTS EXECUTION ONLY SERVICES

The fees below are the fees that CommSec Advisory charge and should be read in conjunction with the "Other Fees" and "Debit interest" sections on page 15 of this FSG.

Service	Advice Fee	Brokerage Charged ²	Ongoing Fees ³
International Securities Advice	\$0 to \$2,000 ¹	0% pa to 2.2% pa subject to a minimum of USD\$150 per trade	0% pa to 1.4% pa of investment amount
Listed Products Execution Only Service	N/A	0% pa to 2.2% pa subject to a minimum of USD\$150 per trade	0% pa to 1.4% pa of investment amount
Third Party Agreements⁴	N/A	0% pa to 2.2% pa subject to a minimum of USD\$150 per trade	0% pa to 1.4% pa of investment amount

NOTES:

- 1 Advice Fee for International Securities Advice: this fee applies to the construction, review or re-balancing of a portfolio.
- 2 Brokerage charged for International Securities Advice and Listed Products Execution Only Services:
 - Shares, warrants and listed managed investments: brokerage at these rates applies each time you buy or sell a stock, warrant or listed managed investment;
 - Exchange Traded Options: brokerage at these rates applies to the option premium each time you open or close a position and will be charged up to 2.2% of the option premium, subject to a minimum of \$150 per trade. Any assigned or exercised positions will be charged up to 2.2% of the transaction value, subject to a minimum of USD\$150 per trade.

There may also be additional exchange specific fees depending on the exchange being traded on and the type of investment. These exchange specific fees are in addition to the brokerage charge and can be discussed with your Adviser.

Unless otherwise indicated, where a fee or brokerage is expressed as a percentage, it refers to a percentage of the transaction value.
- 3 Ongoing fees for International Securities Advice: Ongoing fees for investments are agreed charges for ongoing advice services provided by Advisers on Wrap products and may range from 0% pa to 1.4% pa of the investment amount. These fees may be charged in addition to the Advice Fee. CommSec may also receive ongoing commissions from product providers for selling certain products. See the section entitled "Ongoing Commissions paid to CommSec" on page 4 of this FSG for more information.
- 4 Third Party Agreements: CommSec has agreements with a number of Australian Financial Services Licencees who may refer to us. See the section entitled "Remuneration that may be received by Associated Parties" and "Third Party Agreements" on page 7 of this FSG for more information.

ASSET ALLOCATION SERVICE

The Asset Allocation Service aims to provide diversification of your assets in investment classes other than direct Australian equities and may compliment the Australian Securities Advice Service.

This Service allows you to choose to receive defined asset allocation advice by taking into account your objections, financial situation and needs.

We can allocate your assets into products covered by our Approved Product List.

The Asset Allocation Service does not offer any ongoing services or reviews after implementation. Nor does it offer advice on superannuation, estate planning, legal or taxation issues.

Fees and commissions payable for this Service will be discussed with you before you proceed with any transactions under this Service. The fees are explained in the section entitled "Fees for Asset Allocation and Managed Funds Execution Only Services" on page 25 of this FSG.

MANAGED FUNDS EXECUTION ONLY SERVICE

The Managed Funds Execution Only Service enables you to invest in a wide range of products from fund managers. Although there is no advice provided with this Service, and therefore no Statement of Advice will be provided, your Adviser is able to make the administration of your investments easier.

Fees and commissions payable for this Service will be discussed with you before you proceed with any transactions under this Service. The fees are explained in the section entitled "Fees for Asset Allocation and Managed Funds Execution Only Services" on page 25 of this FSG.

FEES FOR ASSET ALLOCATION AND MANAGED FUNDS EXECUTION ONLY SERVICES

The following fees apply to asset allocation and managed funds execution only services:

Service	Preparation of Statement of Advice ¹	Investment of Funds ²	Ongoing Fees ³
Asset Allocation Service	\$0 to \$5,000	0% to 3% of investment amount	0% pa to 1.4% pa of investment amount
Managed Funds Execution Only Service	N/A	0% to 2% of investment amount	0% pa to 1.4% pa of investment amount

NOTES:

- Fee for preparation of the Statement of Advice:** This fee will be agreed with you prior to commencing work on your Statement of Advice. The fee will be payable on presentation of the Statement of Advice. Please note that CommSec reserves the right to charge a higher fee if your requirements are exceptionally complex. In addition, if your circumstances change significantly after we have prepared a Statement of Advice for you, and you require further advice taking into account this change, we may charge another fee for the preparation of a new Statement of Advice.
- Fee for investment of funds:** At the time you invest funds under any of the Services in the table above, you will be charged a fee within the ranges shown. The fee is a percentage of the transaction value. This fee applies when you invest funds initially under the relevant Service and also when you inject new funds into an existing portfolio you hold under the relevant Service.
- Ongoing fees for investments:** These ongoing fees are agreed charges for ongoing advice services provided by Advisers on Wrap products and can range from 0% pa to 1.4% pa of the investment amount. CommSec may also receive ongoing commissions from product providers for selling certain products. See the section entitled "Ongoing Commissions paid to CommSec" on page 4 of this FSG.

CommSec Financial Services Guide

Issue Date 1 March 2019

SHARE DIRECT NOMINEES PTY LIMITED

The provider of the services described in Section Two of this Financial Services Guide is Share Direct Nominees Pty Limited (Ground Floor, Tower 1, 201 Sussex Street Sydney NSW 2000. ABN 56 006 437 065) as Authorised Representative (Rep. No 274819) of Commonwealth Securities Limited ABN 60 067 254 399 Australian Financial Services Licence Number: 238814
Registered Office:
Ground Floor, Tower 1, 201 Sussex Street Sydney NSW 2000.



Section two

IMPORTANT INFORMATION

FINANCIAL SERVICES GUIDE

This Section Two of this FSG provides you with information about Share Direct Nominees Pty Limited ABN 56 006 437 065 (in this Section Two, "Share Direct", "we", "us" or "our") to help you to decide whether to use the financial services offered by Share Direct.

This Section Two of this FSG explains the services Share Direct can offer to you. It also explains how Share Direct and certain of our associates are remunerated, details of any potential conflicts of interest and details of our internal and external complaints handling procedures and how you can access them.

Share Direct is an Authorised Representative of Commonwealth Securities Limited ABN 60 067 254 399 ("CommSec") and CommSec has authorised the distribution of this FSG by Share Direct.

Unless otherwise indicated, prices shown in this Section Two of the FSG are in Australian Dollars (A\$) and include applicable GST.

OTHER DOCUMENTS YOU MAY RECEIVE FROM US

Product Disclosure Statement

Offers to issue, or arrange the issue of, a financial product (other than securities such as listed shares) to you by CommSec, pursuant to which we provide our custodial or depository services, will be made through a Product Disclosure Statement ("PDS") or other disclosure document. The PDS or other disclosure document will contain information about the particular financial product including the features, benefits, fees and risks associated with that financial product to assist you in making an informed decision.

Statements of Advice

Share Direct will not provide personal advice pursuant to the services described in this FSG. Accordingly, Statements of Advice will not be provided in relation to those services.

WHO ARE WE?

Any financial services offered by Share Direct will be provided by us as an authorised representative of CommSec. CommSec is licensed under the Corporations Act to provide these services. CommSec's Australian Financial Services Licence Number is 238814. CommSec is also a Participant of the ASX Group and Chi-X Australia.

Share Direct is a wholly owned but non-guaranteed subsidiary of CommSec. CommSec is a wholly owned but non-guaranteed subsidiary of the Commonwealth Bank which is one of the largest and oldest financial institutions in Australia.

Other members of the Commonwealth Bank Group may also be able to provide you with financial services and products.

WHAT FINANCIAL SERVICES AND PRODUCTS DO WE OFFER?

CommSec is authorised to provide a custodial / depository service. Share Direct as an authorised representative of CommSec provides custodial or depository services for financial products, offered or arranged by CommSec or in which CommSec is otherwise involved.

Share Direct may provide a custodial or depository service in relation to securities or other financial products for clients who take up offers of financial products which CommSec, offers, arranges or is otherwise involved in. These financial products include warrants issued by Commonwealth Bank for which CommSec is the administrator.

HOW DO YOU OBTAIN OUR SERVICES?

All financial products will be issued under a PDS or other disclosure document. The PDS or other disclosure document will contain information about obtaining our services and the application form for that product.

If you want to obtain our services, you can:

- Call us on 13 15 19
- Visit: www.commsec.com.au
- Write to us at:
Locked Bag 22
Australia Square NSW 1215

HOW CAN YOU TRANSACT WITH US?

All financial products will be issued under a PDS or other disclosure document. The PDS or other disclosure document will contain information about how you can transact with us.

HOW DO YOU PAY FOR OUR SERVICES?

Share Direct is not separately remunerated for the custodial services of the kind described in this FSG. Please also refer to the section entitled “How are we remunerated for the services we provide?” below.

HOW ARE WE REMUNERATED FOR THE SERVICES WE PROVIDE?

Share Direct is not separately remunerated for the custodial services of the kind described in this FSG. Share Direct will have a right to be reimbursed for costs it incurs in selling any securities or financial products held in custody if such sale is permitted under the terms of the relevant financial product (such costs would primarily be comprised of brokerage charged by third parties, which may include CommSec). Share Direct is also entitled to an indemnity from Commonwealth Bank for various costs and liabilities reasonably and properly incurred in providing these services.

Other fees that are paid to CommSec or Commonwealth Bank will be included in the PDS or other disclosure document.

CommSec is remunerated directly through the fees that CommSec charges you. With certain products, CommSec is also remunerated by product providers, including those within the Commonwealth Bank Group, through commissions. Details of commissions payable to CommSec under financial products CommSec recommends, offers or arranges are also described in this FSG.

INITIAL COMMISSIONS PAID TO COMMSEC

Initial commissions may be a one off payment and are calculated as a percentage of the funds you have invested. They are deducted from the amount invested. For investment products, initial commissions may be calculated as between 0% and 6.5% of your investment amount.

ONGOING COMMISSIONS PAID TO COMMSEC

Ongoing commissions (sometimes referred to as trailing commissions) may be paid for the length of time you hold the financial product. They are usually paid directly to CommSec by the product provider out of the revenue the product provider earns. In some cases, they may be deducted from your investments. For investment products, ongoing commissions may be calculated as between 0% and 1.4% of the investment amount.

Example

Assume that you invested \$10,000 in an investment product and maintained that investment. If CommSec charged an initial commission of 2% and received an ongoing commission of 0.5% from the product provider, then:

- CommSec would receive \$200 as an initial commission; and
- CommSec would receive \$50 per annum as ongoing commission.

CommSec will disclose any such remuneration arrangements when CommSec provides you with any personal advice or make a recommendation to invest, or otherwise when CommSec offers or arranges any investment for you.

HOW ARE OUR REPRESENTATIVES REMUNERATED?

Our representatives and those of CommSec and Commonwealth Bank are remunerated by salary that include superannuation benefits and do not directly receive any commissions or fees. They may be eligible for a bonus payment relating to their overall performance during the year. Some representatives' bonus payments may be up to 45% of the fees and commissions that CommSec receives from the placement of a financial product.

These bonus payments are discretionary, and based on achievement of predetermined business objectives and may include but are not limited to:

- Business
- Customer
- People
- Productivity
- Risks

Our representatives may also be eligible to:

- Shares in incentives (both monetary and non-monetary) rewarded for outstanding service;
- Receive a free grant of Commonwealth Bank shares under the Commonwealth Bank's Employee Share Acquisition Plan (ESAP);
- Receive indirect benefits stemming from advice provided to you. Indirect benefits include such things as business lunches, tickets to sporting and cultural events (including overseas study tours), corporate promotional merchandise and other similar benefits from product providers whose products they recommend.

ASSOCIATIONS WITH RELATED PRODUCT ISSUERS

As a member of the Commonwealth Bank Group, CommSec deals in and advises on products provided from related Commonwealth Bank Group companies or we may refer you to these Commonwealth Bank Group companies, which include, but are not limited to, the Commonwealth Bank, Colonial First State Investments Limited, Commonwealth Insurance Limited and Commonwealth Managed Investments Limited.

CommSec may receive a commission payment from a related Commonwealth Bank Group company as a result of you investing in one of their products or services.

The custodial or depository services we provide described in this FSG will involve offers arranged by CommSec or in which CommSec is otherwise involved. Those offers may include offers of financial products by Commonwealth Bank.

Referrals to Commonwealth Financial Planning, CommInsure, Commonwealth Private and other Commonwealth Bank Group Companies

Should you take up a product as part of a referral to Commonwealth Financial Planning, CommInsure, Commonwealth Private or other Commonwealth Bank Group company, then CommSec may receive a commission of up to 100% of the revenue generated by any fees or premiums you pay to them.

Should you take up a product as part of a referral to CommSec from Commonwealth Financial Planning, CommInsure, Commonwealth Private or other Commonwealth Bank Group company, then CommSec may pay them a commission of up to 100% of any revenue generated by fees or premiums you pay to CommSec.

HOW IS MY CUSTOMER INFORMATION DEALT WITH?

At CommSec and Share Direct, the privacy of your customer information is important to us. We collect your customer information to ensure that we are able to provide you with the products and services most appropriate to your needs.

Telephone conversations with CommSec or Share Direct may be recorded to ensure our service standards are met or exceeded and to allow records to be kept of the advice given and orders taken.

CommSec and Share Direct have adopted the principles set out in the Privacy Act 1988 (Cth) as part of our continuing commitment to client service and maintenance of client confidentiality. Further details are contained in the terms and conditions for each product. Please also refer to our Privacy Policy at www.commssec.com.au or ask your representative for a copy.

WHAT SHOULD I DO IF I HAVE A COMPLAINT?

If you are not satisfied with the service or advice you receive from us, you are entitled to complain. We have established procedures to ensure that all enquiries and complaints are properly dealt with.

To save yourself valuable time, gather all the facts and documents about your complaint, think about the questions you want answered and decide what you want us to do.

Next, contact the department that handled the matter and explain the problem. A quick call is all that is required to resolve most issues. If you are unsure which department to contact, please call CommSec on 13 15 19 and speak to an Equities Associate.

If your complaint is not satisfactorily resolved within 3 business days after you first notified us, please put your complaint in writing addressed to CommSec Client Relations:

By phone: 1800 805 605
By fax: 1800 025 542
By email: www.commbank.com.au/feedback
By mail: CBA Group Customer Relations
Reply Paid 41,
Sydney NSW 2001

If, after giving CommSec Client Relations the opportunity to resolve your complaint, you feel we have not resolved it satisfactorily, you may also lodge a written complaint with the following independent complaint handling bodies:

Australian Financial Complaints Authority

For complaints in relation to all other financial services or advice, please contact the Australian Financial Complaints Authority at:

Online: www.afca.org.au
Email: info@afca.org.au
Phone: 1800 931 678 (free call)
Mail: Australian Financial Complaints Authority
GPO Box 3, Melbourne VIC 3001

HOW DO WE MANAGE OUR COMPENSATION ARRANGEMENTS?

Where we are liable to meet a claim, payment will generally be paid from our cash flows and available resources. For claims, we may rely on and claim under the professional indemnity insurances that we hold. These insurances are between us and the insurer and are intended to respond to civil liability resulting from significant claims for compensation made against us for financial services and advice provided by us or our representatives. These insurances provide cover even if one of our representatives has ceased to act or work for us. Our compensation arrangements comply with the arrangements required by Australian Securities and Investments Commission.

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commsec.com.au