

A guide to our financial services

Financial Services Guide

Westpac Securities Limited ABN 39 087 924 221
Australian Financial Services Licence Number: 233723

Dated 22 January 2004

About this Financial Services Guide

This Financial Services Guide (FSG) is issued by Westpac Securities Limited ABN 39 087 924 221 (**Westpac Broking, we or us**) to inform you of the financial services provided by us. It is designed to help you as a retail customer to decide whether to use these services and to ensure that Westpac Broking complies with its obligations as a financial services licensee. This FSG tells you:

- About us
- About our financial services
- The costs, remuneration and other benefits that may be paid to us, staff members and others
- What associations or relationships we have with financial product issuers
- If you have a complaint, how it will be dealt with
- How we collect and use your personal information
- How you can contact us.

If you have any questions about us or about this FSG, please contact us. Our contact details are set out on page 10 of this FSG. Any changes to these details can be found on the Westpac Banking Corporation (**Westpac**) website at www.westpac.com.au and then by clicking on the “Online Broking” link.

Generally, where you acquire a financial product through us or we arrange to issue a financial product to you, we will, if required, provide you with a Product Disclosure Statement (**PDS**) or other disclosure document containing information about that financial product, including any relevant terms, significant risks, the costs associated with the financial product and details of other fees and charges which may apply. These documents will be provided to help you make an informed decision about the financial product and to comply with our obligations as a financial services licensee.

About Westpac Securities Limited

Westpac Securities Limited trades under the registered business name “Westpac Broking” and is a Participant of the Australian Stock Exchange Limited (**ASX**) Group and The Stock Exchange of Newcastle Limited (**NSX**). Whilst Westpac Broking meets certain eligibility requirements, it is authorised by its Australian Financial Services Licence to use the expressions “stock broker” or “share broker”.

Westpac Broking is authorised by its Australian Financial Services Licence (Licence Number 233723, **effective 9 February 2004**) to provide general financial product advice for and deal in the following financial products:

- Deposit and payment products limited to non-cash payment products
- Derivatives
- Debentures, stocks or bonds issued or proposed to be issued by a government
- Life products including investment life insurance and life risk insurance products, as well as any products issued by a registered life insurance company that is backed by one or more of its statutory funds
- Interests in managed investment schemes including investor directed portfolio services (**IDPS**)
- Securities
- Superannuation products.

Westpac Broking is also authorised by its Australian Financial Services Licence to underwrite an issue of securities or interests in managed investment

schemes and to operate custodial or depository services other than **IDPS**'s.

Westpac Broking is a member of the Westpac group of companies which includes Westpac, Westpac Financial Services Ltd, BT Funds Management Limited, BT Life Limited, BT Securities Limited, BT Portfolio Services Ltd, BT Investor Services Pty Ltd, Westpac Funds Management Limited, Westpac Life Insurance Services Limited, Westpac Securities Administration Limited, BT Financial Group Pty Limited, BT Funds Management No. 2 Limited and other entities which provide various financial, funds management, insurance, superannuation, investment and administrative services from time to time (**Westpac Group**).

The registered office of Westpac Broking is
Level 15
Chifley Tower
2 Chifley Square
Sydney NSW 2000.

A financial product acquired through Westpac Broking is not a deposit with or any liability of Westpac or any other company in the Westpac Group. It is subject to investment risk, including possible delays in repayment or loss of income and principal invested. Neither Westpac nor any of its related entities stands behind or otherwise guarantees the capital value or investment performance of any financial product acquired through Westpac Broking.

Our financial services

What financial services do we provide?

Westpac Broking provides facilities for clients to trade financial products online and/or over the telephone. Westpac Broking also distributes financial products (including interests in managed investment schemes and superannuation funds) and can provide general advice in relation to certain financial products.

Generally, this FSG does not relate to any services or products Westpac Broking provides that are not financial services or financial products.

Who is responsible for the financial services you receive?

Westpac Broking will provide, and be responsible for, the financial services provided to you and described in this FSG. We will provide these services through our representatives who are: employees of companies within the Westpac Group (**Staff Members**); employees of a third party service provider (JDV Limited ABN 67 009 136 029, who provides front and back office services to Westpac Broking); and any authorised representative appointed by us to provide financial services on our behalf.

Westpac Broking acts on its own behalf as a financial services licensee when providing financial services. Westpac Broking does not issue the financial products you may acquire through us.

Will we give you personal advice that has regard to your objectives, financial situation and needs?

No. Westpac Broking provides execution-only services and any material provided to you by us will only contain factual information or general advice. This factual information or general advice does not take into account your particular objectives, financial situation and needs. These factors should be considered by you before making any investment decision on the basis of the factual information or general advice that we provide to you.

Under the law regulating the provision of financial services, financial product advice (which includes personal advice and general advice) is a recommendation, opinion or report that is, or which could reasonably be regarded as being, intended to influence a decision in relation to a financial product. However, general advice does not include any direct or implied recommendation that the products referred to are appropriate to the objectives, financial situation and needs of a particular person.

How can you give us instructions?

Except as set out below, you may give us instructions by telephone, internet, email, pre-paid post, fax or other means by pre-arrangement with us or in person at a Westpac branch or a BT Investor Centre. How you give us instructions will depend on the services we provide to you.

There are terms and conditions for the use of the Westpac website and the online broking service. These terms and conditions can be found on the Westpac website by clicking on the "Online Broking" link.

In the case of financial products listed on the ASX that are CHESSE sponsored with us, we will accept your trading instructions by telephone or internet only. In the case of issuer sponsored ASX listed financial products or financial products listed on the NSX, we will accept your trading instructions by telephone only. If you hold a margin loan facility issued by BT Securities Limited (**BT Margin Loan**), you may place orders on that facility by telephone or internet only. All orders placed by you using any other margin loan facility must be placed by telephone only.

Information about fees and other benefits

What fees or other benefits are received by us?

The fees, commissions, remuneration and other benefits (collectively **Fees**) that Westpac Broking receives for providing a financial service to you depends on the financial service provided to you and are detailed below. All Fees Westpac Broking receive include GST. If you purchase a financial product through us or we arrange to issue a financial product to you, we will, if required, give you a PDS or other disclosure document detailing the specific Fees we may receive. Any Fees that are payable by you to us should, generally, be paid by direct debit, BPAY or other means by pre-arrangement with us. The Fees referred to below, do not simply represent our profit margins but also go towards covering our costs and overheads.

In general, we may receive Fees related to the following:

1. Charges and other fees

(a) Brokerage

We will receive brokerage from you when you buy or sell financial products listed on the ASX or NSX through us, including where you place orders on your margin loan facility.

All brokerage is payable to us after your order trades. Brokerage is added to the price you pay for the purchase of the financial products and is deducted from the proceeds of the

sale of financial products. Brokerage is paid according to your standing settlement instructions.

When you buy or sell financial products listed on the ASX or NSX through us, we will generally charge you brokerage that is determined by your method of order placement and the value of your trade, as set out below.

- Internet (ASX listed financial products that are CHESSE sponsored by us): trade value <\$25,000; brokerage of \$24.95
- Internet (ASX listed financial products that are CHESSE sponsored by us): trade value ≥ \$25,000; brokerage of 0.11% of your trade value
- Internet (ASX listed financial products that are settled to a BT Margin Loan): trade value <\$25,000; brokerage of \$24.95
- Internet (ASX listed financial products that are settled to a BT Margin Loan): trade value ≥ \$25,000; brokerage of 0.11% of your trade value
- Telephone (ASX or NSX listed financial products): trade value <\$15,000; brokerage of \$53.90
- Telephone (ASX or NSX listed financial products): trade value ≥\$15,000; brokerage of 0.44% of your trade value

- Telephone (ASX listed financial products that are settled to a margin loan other than a BT Margin Loan): trade value <\$15,000; brokerage of \$82.50
- Telephone (ASX listed financial products that are settled to a margin loan other than a BT Margin Loan): trade value ≥\$15,000; brokerage of 0.55% of your trade value.

For more complex transactions (for example, executive option exercises), you may only provide instructions to us by telephone and we will charge you brokerage of up to 0.5% of the value of your trade. The amount of brokerage payable will vary from customer to customer and may be influenced by a number of factors including the nature of the transaction.

(b) Wrap and SuperWrap

If your Wrap or SuperWrap account trades through us, we will charge you the brokerage rates disclosed under the heading "1(a) Brokerage" above. The actual brokerage payable will depend on the method of order placement and trade value and is payable to us after your order trades. Brokerage will be deducted from your Wrap or SuperWrap account.

(c) Miscellaneous fees and charges

We will also charge the following miscellaneous fees and charges:

- Off market transfer fee (CHESS): \$50 paid prior to transfer

- Off market transfer fee (non CHESS): \$65 paid prior to transfer
- Fail fee (buy and sell): \$25 + 0.1% of trade value (minimum \$75 per contract note per day), paid upon failure to settle a buy or sell trade
- Trade reversal fee: \$40 paid upon request to reverse a trade
- Ad hoc contract note request: \$5 paid upon request for an ad hoc contract note
- Early settlement fee: \$50 per day paid upon request for early settlement of a trade
- Fee for multiple Shareholder Reference Numbers (SRN) per trade: \$20 per SRN in addition to brokerage, paid upon request to sell the financial product
- Contract note postal fee: \$2 per contract note paid when your contract note is sent in the mail
- Replacement CHESS statement fee: \$20 per statement paid upon the request for the replacement statement.

Payment of these miscellaneous fees and charges is to be made in accordance with your standing instructions.

(d) Underwriting

If we underwrite an issue of a financial product (such as shares, or interests in managed investment schemes) by other persons (including companies outside the Westpac Group), we may

receive a service fee of up to 5.0% of the amount underwritten. The product issuer generally pays this fee to us upon the successful allocation of the financial product. The relevant PDS, prospectus or other disclosure document will set out the quantum of this fee and when we will receive it. We may pass on up to 100% of this fee to other persons (including companies within the Westpac Group) for services provided to us.

2. Commissions

When you purchase financial products through Westpac Broking, we may receive an upfront commission and/or an ongoing commission. The amount of commission we receive will be based on the amount you invest or subscribe and will vary between financial products and product issuers.

The upfront commissions referred to below are paid when you invest in the financial product (including where further investments are made). Ongoing commissions are payable on a monthly, quarterly, half-yearly or yearly basis for as long as you hold the financial product. These commissions will be paid by the product issuer to us and are included in the fees you pay for the financial products you acquire.

In general, we may receive commissions related to the following:

(a) Interests in: managed investment schemes and superannuation funds; listed securities (including shares and warrants); derivatives and initial public offerings

We may receive an upfront commission of up to 5.00% of the amount you invest, payable by the product issuer when you invest in the financial product. We may also receive an ongoing commission of up to 0.65% p.a. of the value of your investment. This ongoing commission is paid by the product issuer for as long as you hold the financial product and is paid on a monthly, quarterly, half-yearly or yearly basis as determined by the product issuer and as set out in the relevant PDS or other disclosure document.

(b) Investments using a margin loan facility

If we introduce you to a BT Margin Loan and you use that margin loan to trade through us, or you trade through a margin loan issued by another person, we may receive an ongoing commission of up to 0.40% p.a. of the margin loan amount outstanding as calculated and paid by the provider of the margin loan. These commissions will, generally, be paid to us on a monthly basis for as long as the margin loan amount is outstanding

and you use the margin loan to trade through us.

(c) Wrap and SuperWrap

If we distribute a Wrap or SuperWrap product or service to you that is operated or administered by BT Portfolio Services Ltd (BTPS), we will receive an ongoing commission of up to 0.775% p.a. of the value of your portfolio in Wrap or SuperWrap. This commission is paid for as long as you hold a Wrap or SuperWrap account and is paid on a monthly basis by BTPS from the fees that it receives from product issuers and/or from your Wrap or SuperWrap cash balance, as set out in the PDS or other disclosure documents provided by BTPS.

3. Other benefits

Where we hold money on trust for you, we retain any interest earned on such account balances.

We may receive a Fee known as a stamping fee when we process particular corporate actions in relation to any financial products owned by you. This stamping fee is determined and paid by the product issuer to us.

When you ask us to complete certain complex transactions, we may borrow listed shares for settlement from a third party (Lender) and provide the Lender with security. When we finalise your transaction, the Lender will return the security to us. With respect to the

security we lodge, we may receive payments from the Lender (such payments generally being determined by the government cash rate less a margin fixed by the Lender), paid monthly in arrears, for as long as the Lender holds the security. These payments are paid by the Lender to Westpac Broking at no additional cost to you.

What remuneration and other benefits are received by Staff Members?

Staff Members receive salaries (generally paid fortnightly or monthly), cash bonuses and other benefits. Cash bonuses are based on the performance of the Staff Member and/or the Staff Member's team, including the level of product sales and by reference to other performance measures. Bonuses are paid quarterly, half-yearly, or yearly and in certain cases may instead of cash be paid by way of superannuation contributions or in shares in Westpac.

Staff Members may also be rewarded with monetary and non-monetary incentives and benefits from time to time if they meet certain performance targets. The incentives range from small non-monetary rewards such as movie tickets to more valuable benefits such as pre-paid holiday packages or attendances at conferences. Monetary

payments to eligible Staff Members are made half-yearly by payment into an account nominated by the relevant Staff Member.

Staff Members do not receive specific payments or commission for the services provided to you. However, they may receive commission for the financial products that are sold to you (some of which are subject to them achieving certain performance targets). These commissions may include:

- Managed investments (other than cash funds), initial public offerings and superannuation interests: upfront commission of up to 0.1% of the amount invested
- Premium cash fund: upfront commission of up to 0.025% of the amount invested
- Life insurance purchased with a superannuation interest: upfront commission of up to 33% of the first four months premium for an insurance product you purchase
- Margin loan: upfront commission of \$50 for each margin loan facility acquired
- Wrap and SuperWrap accounts: upfront commission of up to 0.1% of the amount invested.

It is not possible to determine at any given time whether a Staff Member will receive the benefits referred to above or to quantify them. Except as stated, these benefits are generally not directly attributable to any particular product or service that the Staff Member has provided.

Fees received by related entities and our associations and relationships with product issuers

Companies within the Westpac Group manage, market, issue and provide financial products and services that you may acquire from, or through, us. We may pay to other companies within the Westpac Group up to 100% of our Fees for providing services. You may also be able to acquire through us financial products and services offered by external providers.

Westpac Broking offers for sale products issued by other persons (including companies outside of the Westpac Group) for which Westpac Broking may receive commissions, as detailed above.

When you invest in any product or service offered by a company within the Westpac Group or any external

provider, that company may receive fees in relation to your investment in that product or the provision of that service (which may include entry fees, management fees, exit fees and any other fees specified in the PDS or other disclosure documents for the particular product or service).

Other companies within the Westpac Group may from time to time act in a financing or advisory capacity in relation to companies whose securities are listed on the ASX, NSX or other exchanges or warrant issuers. When acting in such a capacity, these Westpac Group companies may derive fees or other benefits from the product issuer or other persons. Westpac Broking may also receive fees from the product issuer or other persons as detailed above.

If you have a complaint

Problem resolution is a priority for us. We have established complaint resolution procedures that aim to deal with complaints quickly and fairly. If you have a complaint about any of our financial services, please contact us directly by telephone on 131 331 Monday to Friday 7am to 7pm (Sydney time). Alternatively, you can contact us 24 hours a day, 7 days a week from anywhere in Australia, by:

Telephone: 1300 130 467

Email: via our website – www.westpac.com.au and click on 'Contact Us'

Fax: (02) 9226 6597

Mail: GPO Box 5265, Sydney NSW 2001.

If you feel your complaint has not been properly handled or resolved, please contact our Customer Advocate on 1300 301 977 for a further review of your complaint. The role of the Customer Advocate is to assist in resolving complaints.

If you remain dissatisfied with the outcome, you can refer your complaint to the Financial Industry Complaints Service (FICS). FICS is an externally managed complaints resolution scheme, of which we are a member, and it deals with complaints about responsible entities of managed investment schemes; licensees who give retail investment advice and life insurance products. You can contact FICS at:

PO Box 579 Collins Street West
Melbourne VIC 8007

Telephone: 1300 780 808

Fax: (03) 9621 2291

Email: fics@fics.asn.au

Internet: www.fics.asn.au

The Australian Securities and Investments Commission (ASIC)

also has a free call Infoline on 1300 300 630. You can call this number to make a complaint and to obtain further information about your rights.

The Australian Stock Exchange Limited

also has dispute resolution procedures in place. If after exhausting your options with us you are not satisfied with our response, you may wish to register your complaint with the ASX. If you wish to make a complaint you should complete an ASX Complaint Detail Form which is available from the ASX website at www.asx.com.au and return it to Customer Service Australian Stock Exchange Limited, PO Box H224, Australia Square, NSW 1215.

The Newcastle Stock Exchange

recommends that if you have a complaint about us as a participating organisation of the NSX, you should, in the first instance, address your complaint to us. If after exhausting your options with us you are still unhappy about our response, the NSX recommends you register your complaint with ASIC.

How we collect and use your personal information

Our Privacy Policy explains our commitment to the protection of your personal information. You may obtain a copy of our Privacy Policy by:

- Contacting us by telephone, mail, fax, email or in person
- Visiting www.westpac.com.au and clicking on “Our Privacy Policy”.

Contacting Westpac Broking

You can contact Westpac Broking in any of the following ways:

Telephone

Call us on 131 331 from 7.00am to 7.00pm Monday to Friday (Sydney time)

Mail or Fax

Write to us at Westpac Broking, GPO Box 7777, Cloisters Square, Perth, WA 6850 or send us a fax at (08) 9266 0200

Internet

Visit the Westpac Banking Corporation website at www.westpac.com.au and click on the “Online Broking” link

Email

Send an email to broking@westpac.com.au

In Person

Visit one of the Westpac branches or alternatively, visit one of the BT Investor Centres.

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Westpac Banking Corporation ABN 33 007 457 141. Also trading as Challenge Bank and Bank of Melbourne.

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