

# Financial Services Guide

1 March 2024

The purpose of this Financial Services Guide (FSG) is to assist you in deciding whether to use our services by giving you information about the type of services we provide, how we are remunerated, your rights when you have a complaint about the services we provide to you and details of any associations or factors that may influence our recommendations.

Other documents you may receive from us include:

- A Statement of Advice (SoA) whenever we provide any personal advice to you. The SoA will contain the advice, the basis of the advice, information about fees, risk insurance commissions and associations we have that may influence the advice we provide to you.
- If you require further advice, then your financial planner must ensure that your personal circumstances and the basis on which the original advice was given have not significantly changed. If there are no significant changes in circumstances or basis of advice, you may receive the advice via a Record of Advice (RoA). The RoA provided will be kept for seven years. You may request a copy of an RoA from us.
- You are not required to be given a SoA or RoA where the advice relates to certain basic deposit products, non-cash payments facilities or other approved financial products.
- We will provide you with a Product Disclosure Statement (PDS) or another offer document if we recommend you buy a particular financial product. The PDS will help you to make an informed decision about whether or not to buy the financial product. The PDS contains information about the features, costs, risks, and benefits of the financial product.
- Our service agreement clearly defines the services we promise to provide to you and the fees payable to us. The ongoing service fee may be calculated on the assets under management, a fixed fee, or a combination of both.

## Hood Sweeney Securities Pty Ltd (HSS, we, us, our)

**ABN 40 081 455 165**  
**Australian Financial Services  
Licence No. 220897**  
11-16 South Terrace  
Adelaide SA 5000  
Telephone 1300 764 200

### Not Independent

Hood Sweeney Securities Pty Ltd cannot refer to ourselves or our advice as 'independent, impartial or unbiased' because we or our representatives:

- Receive commissions when a client takes out a life risk insurance policy that we have recommended, and for the time that the client holds that policy.
- May receive alternative remuneration benefits of \$300 or less.
- May also recommend that you acquire our Separately Managed Account(s) (SMA) where we believe it is in your best interests to do so. As we manage the SMA ourselves, this is considered to be an "in house product".

**T 1300 764 200**

**F 08 8232 1968**

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- If we have an ongoing fee arrangement with you which exceeds 12 months, then we will:
  - Provide you with a Fee Disclosure Statement annually setting out the fees you have paid to us, the services that we promised to provide to you and whether we provided them; the fees to be paid to us in the next 12 months, and services we promise to provide in the next 12 months, AND
  - Each year, obtain your written consent for us to continue to provide services to you. We must have your written consent within 120 days of the 12 month anniversary in order for us to continue to provide services to you.
- As a financial service provider, we have an obligation under the Anti Money Laundering and Counter Terrorism Finance Act to verify your identity and the source of any funds. This means that we will ask you to present identification documents such as passports and driver's licence. We will also retain copies of the information. We assure you that this information will be held securely. We cannot provide you with services if you are unwilling to provide this information.

## Before you get our advice – common questions answered

### Who will be responsible for the advice given to me?

HSS has its own Australian Financial Services License (AFSL) enabling the provision of advice on a wide range of investments. HSS is responsible for the services provided by its employee representatives (your financial planner). In all instances, HSS acts on its own behalf under its own AFSL.

HSS is a Professional Practice Member of the Financial Advice Association of Australia (FAAA) and must commit to upholding the FAAA Professional Code.

### What advisory services are available to me?

We are authorised to provide financial product advice on:

- basic and other deposit products.
- debentures, stocks, or bonds issued or proposed to be issued by a government.
- life products including:
  - investment life insurance products as well as any products issued by a Registered Life Insurance Company that are backed by one or more of its statutory funds.
  - life risk insurance products as well as any products issued by a Registered Life Insurance Company that are backed by one or more of its statutory funds.
- interests in managed investment schemes including investor directed portfolio services.
- retirement savings account products.
- securities.
- standard margin lending facilities.
- superannuation.

We are also authorised to apply for, acquire, vary or dispose of the financial products listed above on your behalf.

We recommend that you regularly review your financial strategy and investments with us (at least yearly) to ensure that they remain appropriate for your circumstances. You are also encouraged to contact us at any time for an interim review, or to answer any queries you may have. We only recommend an investment to you after considering its suitability for your individual investment objectives, financial situation and needs.

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We are under an obligation to act in your best interests in relation to the personal financial products recommended to you. Generally, we must ensure, within the subject matter of the advice provided to you:

- The scope of the advice includes all the issues for the advice to meet your objectives, financial situation and needs (including your tolerance for financial risk);
- If the scope of the advice changes, the change is consistent with your objectives, financial situation and needs;
- We consider whether or not to provide advice that recommends a specific product or whether you should dispose of a product or do nothing.

### How will I pay for the service?

The following paragraphs detail the fee structure we have adopted when providing financial services to you. Any of these fees will be charged as agreed with you or as permitted by law. All fees are directly payable to HSS. Whether we charge on an hourly rate or a flat fee will depend on the services provided and will be negotiated and agreed with you in advance. Fees payable will be charged directly to you or you may elect to have any fees paid by direct debit from your investment or bank account.

You have a right to request further information in relation to remuneration and soft dollar benefits received by HSS and/or its representatives.

### Advice Preparation Fee

We will charge you a fee to prepare your advice. The fee is based on the complexity of the advice sought and time taken to prepare the advice. Our advice preparation fee is charged as either:

1. a fixed fee, which may vary from \$440 to \$11,000; or
2. an hourly rate.

The advice preparation fee will be agreed with you in advance and will be disclosed in our engagement letter with you and any SoA or RoA we provide to you.

### Implementation Fees

We may charge you a fee to implement the advice and financial strategies we have recommended for you. This fee is based on the complexity of the advice being implemented and time taken to implement the advice. Our implementation fee is charged as a fixed fee, which may vary from \$550 to \$1,100.

Any implementation fee will be agreed with you in advance and will be disclosed in a SoA or RoA which will be provided to you.

### Ongoing Advice Fee

If you have entered into an ongoing fee arrangement with us, we will charge you an ongoing advice fee for providing the services described in our service agreement.

The fee that will be charged to you for these services will either be:

1. a fixed fee estimated to be between \$1,100 to \$16,500 depending on the nature of advice and services provided; or
2. an hourly rate; or
3. a percentage of assets under management (ranging from 0.40% to 0.88%), calculated monthly as a set percentage of assets under management at the end of each month; or
4. a combination of both.

For example, where a percentage based fee of 0.88%p.a. is charged on assets under management of \$250,000, we will charge an ongoing fee of \$2,200 per annum. The ongoing amount in dollar terms will vary depending on your total value of assets under management at the time of calculation, including any performance of any investment products we recommend.

The amount of any fixed fee, hourly rate or any percentage rate applied to assets under management, will be determined by the complexity of your portfolio, the regularity of reviews or any additional service you are seeking. In some cases the fixed fee and percentage of assets under management may exceed the above ranges, and the percentage rate applied to assets under management may exceed the rate applied in the above example.

The ongoing advice fee will be disclosed in a SoA and our service agreement with you. All ongoing advice fees will be agreed in advance with you.

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### **Life Risk Insurance Commissions**

We receive a one-off upfront commission when you take out a life risk insurance policy we recommend. We also receive a monthly or annual commission payment for as long as you continue to hold the policy.

We will receive an upfront commission of between 0% and 60% of the first year's annual premium, and then an annual ongoing commission of between 0% and 20% of the annual premium.

For example, for a life risk insurance product with an annual premium of \$2,000, where the issuer pays an upfront commission of 60%, we will receive \$1,200. The issuer will pay us 20% of the annual premium as ongoing commission for as long as you hold the policy. Assuming an annual premium of \$2,000, this equates to \$400 per year.

You will be advised of the exact amount of these commissions in the SoA or RoA.

### **Brokerage Fees**

For listed investment trades executed through the FNZ Securities platform, a brokerage fee is charged at 0.55% per trade of the trade value, minimum \$14.50. HSS receives 0.308% of this brokerage fee which assists to cover the costs of placing the trades and use of associated software. The brokerage fee is added to the purchase or deducted from the sale amounts of each listed investment transaction.

Other platforms may impose brokerage fees which are not passed on to HSS. You will be advised of the exact amount of those brokerage fees in the SoA or RoA.

### **Dividends**

HSS is owned by One Hood Sweeney Pty Ltd ACN 159 223 220 (OHS). Some of HSS' directors and employees are shareholders of OHS.

OHS may be entitled to receive a share of profits from HSS by way of dividends (depending on the financial performance of HSS). The directors and employees of HSS who are shareholders of OHS may subsequently receive these dividends from HSS.

## **When you get our advice – common questions answered**

### **Do I get detailed information about actual commissions and other benefits my financial planner gets from making the recommendations?**

Yes, you have the right to know about details of commissions and other benefits your financial planner receives for recommending investment products and life risk insurance products. We will provide this information to you in any SoA or RoA we provide to you (where applicable).

### **What kind of compensation arrangements are in place and are these arrangements complying?**

HSS confirms that it has arrangements in place to ensure it continues to maintain Professional Indemnity insurance in accordance with 912B or the Corporations Act 2001 (as amended). In particular our Professional Indemnity insurance, subject to its terms and conditions, provides indemnity up to the sum insured for HSS and our representatives in respect of our authorisations and obligations under our Australian Financial Services Licence. This insurance will continue to provide such coverage for any representative who has ceased work with HSS for any work done whilst engaged with us.

### **Will you give me advice that is suitable to my investment needs and financial circumstances?**

Yes, we will always ensure we understand your individual investment objectives, financial situation and needs before we recommend any investment or life risk insurance product to you. You have the right not to divulge this information to us, if you do not wish to do so. In that case, we are required to warn you about the possible consequences of us not having your full personal information. You should read the warnings carefully.

### **What should I know about any risks of the investments or investment strategies you recommend to me?**

We will explain to you any significant risks of investments and strategies that we recommend to you. If we do not do so, you should ask us for further clarification. We are not able to control or eliminate the risks associated with investing. Our role is to help you understand those risks and the options available to manage them.

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### How can I provide you with instructions?

You can provide us instructions by phone, email or any other means that we agree with you from time to time. Please see HSS' engagement letter for further information on instructing us.

### What information do you maintain in my file and can I examine my file?

We are committed to implementing and promoting a privacy policy that will ensure the privacy and security of your personal information. A copy of our privacy policy is available upon request or you can access it from our website at <https://www.hoodsweeney.com.au/privacy>. We maintain a record of your personal profile that includes details of your investment objectives, financial situation and needs. We also maintain records of any recommendations made to you. If you wish to examine your file, you should ask us, and we will make arrangements for you to do so.

### Financial Planner remuneration

Your Financial Planner is an employee of HSS. Each representative is paid a base salary and does not receive commissions from product issuers. They may be eligible for an annual bonus as determined by HSS based on meeting predetermined Key Performance Indicators and profit generated by the business.

HSS and your financial planner do not accept alternative remuneration benefits above \$300 in value and will disclose any alternative remuneration benefits that are received. Alternative remuneration arrangements between \$100 and \$300 that are received by HSS or its representatives will be recorded in a register which you may view on request.

### Associations or relationships with product issuers

We are required to disclose any associations or relationships between us, our related entities (including OHS) and product issuers that could reasonably be capable of influencing the financial services we provide to you. No such associations exist with any product issuers.

### If you have any complaints

If you are not satisfied with our services then we encourage you to contact us. We accept complaints over the phone, in person, via email or letter, or on our social media channels.

#### The best way to contact us is

PO Box 10516  
ADELAIDE BC SA 5000

**Phone** 1300 764 200

**Fax** (08) 8232 1968

**Email** [complaints@hoodsweeney.com.au](mailto:complaints@hoodsweeney.com.au)

We will endeavour to resolve your complaint in 5 business days. If you still do not receive a satisfactory outcome or we do not respond to you within 30 days after you make the initial complaint, you have the right to complain to the Australian Financial Complaints Authority Limited (AFCA) at:

#### Australian Financial Complaints Authority Limited

GPO Box 3  
MELBOURNE VIC 3001

**Phone** 1800 931 678

**Website** [www.afca.org.au](http://www.afca.org.au)

**Email** [info@afca.org.au](mailto:info@afca.org.au)

You may only contact AFCA once you have followed the above procedure.

Our Complaints Handling Policy is available on request or you can access it from our website at <https://www.hoodsweeney.com.au/complaints>.

The Australian Securities & Investments Commission (ASIC) also has a freecall Infoline on 1300 300 630 which you may use to make a complaint and obtain information about your rights.

If your concerns involve ethical conduct you may wish to consider raising your concerns with the Financial Advice Association of Australia (FAAA). They can be contacted at:

GPO Box 4285  
SYDNEY NSW 2001

**Phone** 02 9220 4518

**Email** [professional.standards@faaa.au](mailto:professional.standards@faaa.au)

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