

This FSG is an important document for retail investors. It is designed to provide you with an understanding of Howard Osmond Financial Services (HOFS) and our service offering, and to inform you of important matters relating to our relationship, prior to us providing you with a financial service.

This FSG contains important information about:

- *Who we are;*
- *How we can be contacted;*
- *Documents you may receive from your Adviser;*
- *The financial services we are authorised to provide to you;*
- *The relationship between HOFS and your Adviser;*
- *The remuneration and other benefits received by HOFS, our Advisers and associates;*
- *Any potential conflicts of interest we may have;*
- *Our privacy policy;*
- *Our internal and external dispute resolution procedures and how you can access them; and the compensation arrangements we have in place.*

It is intended that this FSG should assist you in determining whether to use any of the financial services offered by HOFS.

An Adviser Profile, which outlines specific information about your Adviser, forms part of this FSG.

Statement of Advice (SOA)

You will receive a SOA if your Adviser provides you with any personal advice about a product or service which takes into account your financial objectives, financial circumstances, needs and requirements.

The SOA will contain the following important information:

The advice given;

The basis on which the advice and recommendations are given;

Information about fees and commissions that may be received; and

Any associations or relationships that may have influenced the provision of the advice.

Record of Advice (ROA)

If your Adviser has previously provided you with a SOA and then provides you with related additional advice which takes into account your relevant personal circumstances, you may receive written confirmation of that advice in the form of a ROA.

If you have not previously been provided with such a record you may request your ROA either verbally or in writing from your Adviser. Although the request may be made to your Adviser up to seven years after the advice has been provided, we suggest you contact your Adviser as early as possible.

A new SOA will only be provided if your circumstances have changed significantly or you are receiving advice in relation to a different type of financial product.

Your SOA will also be updated as part of a general review of your situation.

Product Disclosure Statement (PDS)

Should your Adviser make a recommendation to you about a particular financial product or offer to arrange the issue of a financial product on your behalf, you will receive a PDS prepared by the product provider. This will contain information that will assist you in making an informed decision about that product. The PDS usually includes information about the costs and details of other fees and charges which may apply, including commission payments to financial advisers.

Who will be responsible for providing the financial services?

HOFS is the holder of an Australian Financial Services Licence (Number 412820).

Your Adviser is an authorised representative of HOFS and provides financial services on behalf of HOFS. Therefore, HOFS will be responsible to you for any financial services that your Adviser provides.

You will also receive an Adviser Profile that contains important information about your adviser. HOFS has authorised your Adviser to provide this FSG and Adviser Profile to you.

What financial services and products is HOFS authorised to provide?

HOFS is authorised under its Australian Financial Services Licence to offer services to you in the following areas:

- *financial planning*
- *superannuation*
- *investments*
- *personal risk insurance*
- *retirement planning*
- *social security*
- *salary packaging*
- *wealth creation and protection*
- *share investments*

In most cases, personal advice will be provided, however if you do not require personal advice, general advice is also available.

What services does HOFS not provide?

HOFS is responsible for only those services outlined in your Adviser's Profile. HOFS has not authorised your Adviser to provide any other services including:

- *banking services*
- *general insurance*
- *loan facilities*
- *financing arrangements*
- *legal advice*
- *accounting advice*
- *real estate services*
- *taxation advice*

How is the remuneration shared between HOFS and your Adviser?

HOFS initially receives all remuneration once the financial service has been provided and/or the business has been lodged with the product provider. HOFS then retains 100% of the remuneration received and your adviser is on a negotiated salary.

When will specific details about fees be notified?

As soon as you receive this FSG, you will be also given a letter of engagement which clearly outlines the fee you will be charged for HOFS preparing a financial plan for you.

If you decide to implement this financial plan or SOA, the basis and amount of all fee will be fully set out in your SOA and explained by your Adviser prior to the implementation of the recommendations.

An explanation of the fees and charges of the product provider will also be outlined in the relevant PDS.

Relationships which might influence HOFS or your Advisor in providing financial services

HOFS does not have any relationships with any companies or services providers that may influence the advice it gives to its client.

Will advice be given that is suitable to your needs and financial circumstances?

Yes - your Adviser is obliged by law to have a reasonable basis for personal advice they provide, but to do so your Adviser will need to ascertain your individual financial objectives, circumstances, needs and requirements before he/she recommends any financial products or services to you.

To assist your Adviser in providing appropriate advice tailored to your individual needs we ask that you provide accurate information about your personal situation and keep your Adviser updated on any changes to your circumstances.

You have the right not to divulge any information should you not wish to do so. In that case your Adviser will warn you about the possible consequences of not providing your full personal information including limitations on the advice which can be provided. You should read the information in your SOA carefully before making any decision relating to a financial product.

What should you know about any risks of the financial products or strategies that are recommended to you?

Please be aware that there are inherent risks associated with investing in financial markets which may adversely affect the value of your investment.

Your Adviser will explain to you and fully outline in the SOA any significant risks of the financial products and strategies that are recommended to you. If you feel that you need further clarification, please ask your Adviser.

What information does HOFS maintain in your file and can you examine the file?

Your Adviser maintains a record of your personal profile, which includes details of your financial objectives, circumstances, needs and requirements. He/she also maintains records of any recommendations made to you in the course of taking instructions from you as well as any SOA he/she has provided to you.

If you wish to examine your file, you should contact your Adviser and he/she will make arrangements for you to do so.

Can you provide your Adviser with instructions about how you wish to buy or sell financial products?

Yes – Generally you need to provide your instructions in writing, however, you may specify how you would like to give instructions. For example, by telephone, fax, email or other means.

How does HOFS deal with the Anti-Money Laundering / Counter-Terrorism Financing Act 2006 (“AML/CTF Act”)?

HOFS has an obligation under the AML/CTF Act to verify your identity before we can provide you with any financial services. Your Adviser will let you know what documentation you will need to present to satisfy the customer identification requirements of the AML/CTF Act.

How do we handle your personal information?

HOFS is committed to implementing and promoting a privacy policy which will ensure the privacy and security of your personal information. A copy of our Privacy Policy is available on request

Complaints procedure and compensation arrangements

What should you do if you have a complaint?

If you have a complaint about any service provided by your Adviser, you should take the following steps:

1. Contact the HOFS Complaints Resolution Officer to discuss your complaint.

PHONE: 03 5986 8280

EMAIL: patricia@osmonds.com.au

MAIL: Complaints Resolution Officer
8/1283 Pt Nepean Road
Rosebud, VIC. 3939

We will try to resolve your complaint promptly and fairly.

2. If the complaint cannot be resolved to your satisfaction within 45 days, you have the right to present your complaint to the independent complaint handling service that HOFS is a member of – Financial Ombudsman Service (FOS).

PHONE: 1300 56 55 62

FAX: 03 9613 6388

EMAIL: enquiries@fos.org.au

MAIL: Complaints Resolution Officer
GPO Box 3
Melbourne VIC 3001

Any questions?

Please contact your Adviser in the first instance if you have any questions about this FSG or the financial services we provide. This FSG should be retained by you in a safe place for future reference.

Date of Issue: January 1, 2017

Versions: v3

Information current as at January 1, 2017

Adviser Profile

Patricia Howard

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ROSEBUD VIC 3939
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ROSEBUD VIC 3939

T: 03 5986 8280
M: 0427 429 817

E: patricia@osmonds.com.au

This Adviser Profile forms part of the Financial Services Guide and provides you with additional information about your adviser who is an Authorised Representative of Howard-Osmond Financial Services Pty Ltd (HOFS)

Education

- Bachelor of Commerce, University of Melbourne
- Diploma of Financial Services (Financial Planning)

Experience

- I have worked as a financial planner since 2004
- For twenty years prior to that, I was a senior finance journalist for The Age newspaper, specialising in financial planning issues.

Areas of Authorisation

Patricia is authorised by HOFS to provide financial product advice and deal in the following areas:

Financial Services	Product Types	Is your adviser authorised to provide this advice?
Investments	Basic Deposit Products	✓
	Managed Investments	✓
	Debentures	✓
	Investment Bonds	✓
	Direct Shares	✓
	Margin Lending / Gearing	x
Superannuation	Self Managed Superannuation Funds	✓
& Retirement	Annuities	✓
	Corporate Superannuation	✓

Financial Services	Product Types	Is your adviser authorised to provide this advice?
Planning	Personal Superannuation	✓
	Employer Sponsored Superannuation	✓
	Account Based Pensions	✓
	Retirement Savings Accounts	✓
Risk Insurance	Insurance within Superannuation	✓
	Total and Permanent Disability Insurance	✓
	Income Protection Insurance	✓
	Trauma Insurance	✓
	Life/Term Insurance	✓
	Key Man Insurance	✓
	Business Expense Insurance	✓

Fees

Initial consultation

Free of Charge

Fee for Service

If a fee for service is payable by you rather than commission, my hourly fee rate is \$165 per hour inclusive of GST.

OR

If a fee for service is payable by you, the relevant fee will be calculated as a percentage of your total investments and premiums under management up to a maximum of 4% If you choose to pay a fee for service I may rebate to you part or all of the fees I would otherwise receive. Our usual fee is 1.1 % of funds under management.

Advice preparation

You may be charged a Statement of Advice preparation fee which can range between \$550 and \$2,200 (inclusive of GST) depending on the complexity of the advice and time spent. I will provide you with an estimated cost before commencing any work.

Any fee for service must be paid within seven (7) days from the date of the tax invoice being issued to you and all cheques for financial planning advice fees must be made payable to HOFS.

Upfront Fees

The range of upfront fees HOFS receives in respect of investment type financial products and risk insurance financial products are as follows:

Product Type	Range of Upfront Fees
Managed Investments	Up to 6%
Superannuation	Up to 6%
Agribusiness & Tax Effective Investments	Up to 10%
Margin Lending	Up to 3%
Annuities	Up to 6%
Risk Insurance	Up to 130%

For example, on a \$10,000 investment into a managed investment the upfront fee received would be between \$0 and \$600. If the actual rate of upfront fees on that product is 4% HOFS will receive an upfront fee of \$400 in respect of the \$10,000 investment and your initial investment will be reduced to \$9,600. Please refer to the Statement of Advice for detailed information on fees. Our usual fee is 1.1 % of funds under management.

For investment and superannuation products the upfront fee payment is usually deducted from the initial amount invested, whereas the upfront fee is usually factored into the cost of insurance products. The amount of fees I receive from your investment in direct share investments will vary depending on the amount traded and the remuneration offered by the relevant share trading facility. Please refer to your Statement of Advice for specific details as to these amounts.

Ongoing Fees

The table below outlines the range of ongoing fees HOFS may receive in respect of various types of financial products offered.

Product Type	Range of Ongoing Fees
Managed Investments	Up to 2%
Superannuation	Up to 2%
Agribusiness & Tax Effective Investments	Up to 2%
Margin Lending	Up to 2%
Annuities	Up to 2%
Risk Insurance	Up to 32%

By way of example, on a \$10,000 investment into a managed investment the ongoing fee received annually would be between \$0 and \$200. If the actual rate of ongoing fees on that product is 1% HOFS will receive an ongoing fee of \$100 annually in respect of the \$10,000 investment. Please refer to the Statement of Advice for detailed information on fees. Our usual fee is 1.1 % of funds under management.

The ongoing fees may be paid monthly. The exact amount of upfront and ongoing fees will be clearly identified in your Statement of Advice and agreed with you prior to placement of your investments/products.

Benefits, Incentives, Interests or Associations

I Patricia Howard and Howard - Osmond Financial Services Pty Ltd:

- Hold no shareholding in any other company that could be capable or might reasonably be seen to be capable of influencing me in the provision of advice.
- Do not receive any soft dollar benefits from and have no material interest in or associations with any issuers of financial products that may be capable or might reasonably be expected to be capable of influencing my advice.

Acknowledgement

We acknowledge that Patricia Howard has provided us with the Financial Services Guide and an Adviser Profile.

Client Signature		Date	
Name			

Client Signature		Date	
Name			