



## Financial Services Guide

A guide to our relationship with you and others.

### **Preamble:**

Hales Douglass have been providing Accounting Services to the Ulladulla/Bateman's Bay area since 1983. In that time the firm has established itself as one of quality accounting and business firms with unquestioned integrity. Hales Douglass is now one of the largest and most effective accounting firms south of the Illawarra.

In 2001 the firm recognised the needs of its clients extended to the profession of Financial Planning. By law Accountants are restricted from giving Financial Product and Investment advice to clients without the necessary education and Certification.

With this restriction and with an overriding passion of providing the best possible advice to clients the partners of Hales Douglass commenced the Hales Douglass Financial Services company under the astute leadership of Adam Passwell. Adam has the experience and qualifications which ensures that the advice you receive from Hales Douglass Financial Services is research based, is free of bias and is tailored to each client's specific needs.

In keeping with the integrity of the Hales Douglass group, it was decided in 2005 to obtain a dealers licence for the group. Having our own Dealers Licence means that Hales Douglass Financial Services is free from the influence of any large financial institutions.

Most financial Planners have their licence through a major financial institution which means they are open to influence in their strategic planning and investment recommendations. This bias does not happen in Hales Douglass Financial Services because of the decision to have their own licence.

**The financial services referred to in this guide are offered by:**

Adam Passwell of Hales Douglas Financial Services Pty Ltd. (ABN 49 097 735 487, Rep. No. 238131), and

Andrew Clegg of Hales Douglas Financial Services Pty Ltd. (ABN 49 097 735 487, Rep. No. 284461)

41 Deering Street Ulladulla NSW 2539. Ph:(02)4455 5333 Fax:(02)4455 6520

& Suite 1/57 Beach Road Batemans Bay NSW 2536. Ph:(02)4472 4089

Email:adam@halesdouglass.com.au

On behalf of Hales Douglas Financial Services Pty Ltd (ABN 49 097 735 487, AFSL 290618)

41 Deering Street Ulladulla NSW 2539. Ph:(02)4455 5333 Fax:(02)4455 6520

Email:adam@halesdouglass.com.au

**This guide contains important information about:**

- the services we offer you
- how we (or any other relevant parties) are paid
- any potential conflict of interest we may have
- our internal and external dispute resolution procedures and how you can access them

When we give you financial advice - **a Statement of Advice** - we take into account your current financial situation and future needs. In the **Statement of Advice** we will tell you about:

- our fees and/or commissions
- any associations we have with Financial Product Issuers or other parties which may have influenced the advice we give you.

If we recommend to you a particular Financial Product we will give you information about the particular Financial Product—a **Product Disclosure Statement**—to help you make an informed decision about the Financial Product.

Key information is set out below:

Your Questions	Our Answers
<b>Who is my adviser?</b>	<p>Your advisers will be Adam Passwell and Andrew Clegg. Adam and Andrew are specifically authorised by Hales Douglass Financial Services Pty Ltd to act as its representatives in providing financial services to clients.</p> <p>Adam Passwell and Andrew Clegg are experienced in the provision of financial services and have each achieved specific formal industry qualifications. Please refer to the Personal Profile document for Adam and Andrew that appear at the conclusion of this FSG.</p>
<b>Who is responsible for the financial services provided?</b>	<p>Hales Douglass Financial Services Pty Ltd (ABN 49 097 735 487) of 41 Deering Street, Ulladulla NSW 2539, is responsible for the financial services provided including the distribution of this Financial Services Guide (FSG). Hales Douglass Financial Services Pty Ltd is an Australian Financial Services Licensee, No: 290618</p>
<b>Do you have any relationships or associations with Financial Product issuer?</b>	<p>No, we specifically do not want any relationships or associations with Financial Product issuers, as this may interfere with us providing the best advice to you.</p> <p>Hales Douglass Financial Services Pty Ltd is a privately owned company. The directors are: Adam Passwell, Robert Douglass, Andrew Hare and Juanita Sharp.</p> <p>Robert Douglass, Andrew Hare and Juanita Sharp are also directors of Hales Douglass Pty Ltd – Chartered Accountants.</p>
<b>What kinds of financial services are you authorised to provide me and what kinds of Financial Product/s do those services relate to?</b>	<p>Adam Passwell and Andrew Clegg are able to offer you the following services:</p> <ul style="list-style-type: none"><li>* Financial planning and investment advice</li><li>* Superannuation and rollover advice (with Adam being a specialist in Self Managed Super Fund advice)</li><li>* Ongoing monitoring of your portfolio</li><li>* Social Security benefits planning</li><li>* Life insurance advice</li><li>* Estate planning advice</li><li>* Investment funds management</li><li>* Retirement planning advice</li></ul> <p>Hales Douglass Financial Services Pty Ltd licence allows its authorised representatives to advise on a broad range of investments and services offered by banks, life companies, fund managers, stockbrokers, building societies, credit unions and other financial institutions. Hales Douglass Financial Services Pty Ltd is authorised to advise and deal in deposit and payment products (basic and non-basic), government debentures, stocks or bonds, life products, managed investment schemes (incl. IDPS), retirement savings accounts, securities and superannuation.</p>
<b>What information should I provide to receive personalised advice?</b>	<p>You need to provide us with a list of your personal objectives, details of your current financial situation and any relevant information, so that we can offer you the most appropriate advice possible.</p> <p>You have the right not to tell us, if you do not wish to. However, if you do not, the advice you receive may not be appropriate to your needs, objectives and financial situation.</p> <p>You should read the warnings contained in the <i>Statement of Advice</i> carefully before making any decision relating to a Financial Product.</p>

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

We maintain a record of your personal profile including details of your objectives, financial situation and needs. We also maintain records of any recommendations made to you. We are 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 will be provided upon request.

If you wish to examine your file please ask. We will arrange for you to do so.

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**How will I pay for your advisory services provided?**

**Fee for Service:** Hales Douglass Financial Services Pty Ltd will provide you an invoice for services directly to you, or this fee may be paid via your investments.

**Commission / Brokerage:** Commission payments are received from the product issuers whose products we recommend to you and thus paid to Hales Douglass Financial Services. These product issuers include Fund Managers that provide investment products and Life Insurance Companies that provide investment products and risk insurance products.

We will give you a *Statement of Advice* containing details of our fees and any payments made to us by a Financial Product Issuers.

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**If you charge me a fee for the service you provide, how are the fees calculated and paid?**

Any fee charged for subsequent services provided to you is based on an agreed service cost, which is set by Hales Douglass Financial Services.

A Hales Douglass Financial Services adviser will discuss the fees that will apply to your specific situation when you meet for your initial, obligation free consultation.

Statement of Advice (SOA) - Charges are dependent on the complexity of your individual circumstances but usually they will range between \$1,100 and \$6,600 (including GST).

Implementation – Before implementation of the agreed strategies, you will be quoted a fee based on complexity and assets. It usually varies between \$1,100 and \$16,500 (including GST).

Ongoing Advice Fees – For the provision of ongoing strategic advice, ongoing asset management, financial planning advice and review of your portfolio, we charge a fee based on the total value of your individual portfolio and /or the frequency of contact and / or the complexity of your situation. It will typically be 1.1% per annum of assets managed for you (including GST). Or an agreed fee for strategic advice only.

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***If you charge me a commission, how much commission do you get? How is it calculated and deducted?***

Hales Douglass Financial Services typically does NOT receive commissions for investments, we prefer to charge you a fee for service.

However, if we do receive an investment commission it will be in lieu of a fee for service and is typically between 0% and 4.4% (incl. GST) of the funds invested from the investment Fund Managers or other parties. This commission is not charged separately to you. The Fund Managers make the payment out of the entry/exit fees payable on your investment and pay it to us.

Eg: An investment of \$10,000 in a product whose manager pays 2.2% commission, Hales Douglass Financial Services will receive an initial commission payment of \$220.

Some companies also pay us an ongoing commission (i.e. trail commission). This is paid from the fund manager's annual management fee (not an additional fee). Both the upfront commission and the ongoing commission are outlined in the product disclosure statement that will be attached to any recommendations we make to you.

For the provision of ongoing advise and investment management of your situation. It will be typically fee for service of 1.1% per annum on assets managed for you (incl. GST). For example on a portfolio of \$200,000 the fee would be \$2,200"

Commissions on life insurance risk products may range from 33% to 110% of the annual premiums. For example on an annual premium of \$1500 with a commission rate of 33%, the commission that Hales Douglass Financial Services will receive is \$495.

It should be noted that the commission referred to above is payable to Hales Douglass Financial Services, while your adviser is remunerated by way of salary.

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***Do you receive any other benefits in relation to providing financial services to me?***

Details of any benefits exceeding \$300 that Hales Douglass Financial Services may receive are detailed in a publicly available register that is updated quarterly. Please ask Hales Douglass Financial Services for a copy as required.

Hales Douglass Financial Services may be offered a portion of the administration fee from the service providers. These payments are typically refunded directly back to you the client via the way of lower administration fees, Hales Douglass Financial Services would thus not receive this payment.

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***Will anyone be paid for referring me to you?***

Should someone else have referred you to us, and we pay them a referral fee in relation to that referral, we will tell you in the *Statement of Advice* who will receive that fee and the amount they will receive.

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***How can I give you instructions about my Financial Product(s)?***

You may tell us how you would like to give us instructions. For example by telephone, fax or other means such as e-mail.

If we provide you with execution related telephone advice, you may request a record of the execution related telephone advice, at that time or up to 90 days after providing the advice.

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**What should I do if I have a complaint?**

1. Contact us and tell us about your complaint.
2. If your complaint is not satisfactorily resolved within 30 days, please put your complaint in writing. This will ensure that the issues are fully documented and understood by all parties. Your complaint should be addressed to the Compliance Manager, Hales Douglass Financial Services Pty Ltd, PO Box 385 Ulladulla NSW 2539. We will try and resolve your complaint quickly and fairly.
3. If the complaint can't be resolved to your satisfaction you have the right to refer the matter to the Financial Ombudsman Service.  
Contactable on ph: 1300 780 808 or GPO Box 3, Melbourne VIC 8007

Stage 1 of the FOS process sees FOS facilitate discussions and negotiations between the parties. All relevant documents are exchanged and the issues in dispute are identified.

Stage 2 is conciliation and the parties come face to face with a conciliator from the FOS national panel. The role of the conciliator is to assist the parties to explore options for settlement of the dispute and to help parties to agree on their own outcome.

Stage 3 is where the independent adjudicator is requested to make a decision based on the relevant facts taking into account the relevant law, fairness and reasonableness. If you accept the adjudicator's decision it is binding on the member.

Alternatively you can phone the Australian Securities and Investments Commission (ASIC) toll free Infoline on 1300 300 630. Infoline consultants will talk to you about your rights as well as how to make a complaint which is suspected to be a breach of the law.

For your dispute to be handled by FOS Investments, Life Insurance & Superannuation, the dollar value of your claim must be within our jurisdictional limits.

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**What are your Insurance Limits**

From 1<sup>st</sup> January 2010 FOS may accept claims up to \$500,000. With monetary limits on awards FOS can make is \$280,000 for all disputes, except – investment is: \$150,000

- income stream life insurance (per month) is: \$ 6,700

The limit on consequential loss per claim is: \$ 3,000

The limit on non-financial loss per claim is: \$ 3,000

These limits only apply to disputes received by FOS on 1 January 2010 or later, and only where the consumer could not have known about the relevant facts before 1 January 2010

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**Professional Indemnity Insurance**

Hales Douglass Financial Services Pty Ltd has Professional Indemnity Insurance in place to cover us for the financial services that we provide. We understand that it is adequate to meet our requirements as a financial services licensee. The policy includes coverage for claims in relation to the conduct of representatives / employees who no longer work for us (but who did at the time of the relevant conduct). Policy is RG 126 compliant.

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If you have any further questions about the services Hales Douglass Financial Services provides, please contact Adam Passwell on (02) 4455 7766. Retain this document for your reference & any future dealings with Hales Douglass Financial Services Pty Ltd.

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Your Hales Douglass Financial Services adviser is

**Adam Passwell B.Ec, Dip F.P, SSA**

Authorised Representative Number 238161



## Personal Profile

### Your Adviser Experience

After four years working in Sydney for two independent boutique financial planning companies and a bank, Adam joined the Hales Douglass team in 2001 to start the Hales Douglass Financial Planning division. After the first year managing the company, he became the managing director / partner. Today he continues to manage / direct the business with a team of six people dedicated to sourcing the best financial advice for clients.

### Industry Credentials

Adam has a strong educational background with a double major degree in Economics and Business Law from Macquarie University and he has also completed the Diploma in Financial Planning from Deakin University.

Realising the strong growth in Self Managed Superannuation Funds (SMSF) for retirees, Adam is a member of the Self Manage Super Fund Professional Association of Australia and has completed his specialist qualifications to meet the accreditation for being a **SMSF Specialist Adviser**, thus ensuring the highest competency in this very complicated field.

### Service & Advice Focus

Adam's practice is strongly focused on the Self Manage Super Fund market for pre and post retirement planning with an emphasis on Transition to Retirement Planning, Super benefit planning, Retirement Income Streams (Pensions), including maximisation of Centrelink benefits and also Estate Planning strategies.

And with the combined force of the Hales Douglass Accounting team, he also ensures the most efficient taxation planning of clients' pre and post retirement strategic position and investments.

Adam also focuses on a vast array of proactive, wealth creation strategies for people of all ages before retirement. Specialising in Mortgage reduction and geared investment strategies.

Hales Douglass Financial Services Pty Ltd [www.halesdouglass.com.au](http://www.halesdouglass.com.au) 41 Deering Street / PO Box 385  
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Hales Douglass Financial Services Pty Ltd is an Australian Financial Services Licensee No. 290618  
ABN: 49 097 735 487

Your Hales Douglass Financial Services adviser is



**Andrew Clegg** B.Com, Grad Dip FS

Authorised Representative Number 284461

## Personal Profile

### **Your Adviser Experience**

Andrew has worked in the Finance industry since 1998 and was appointed as an Authorised Representative of Hales Douglass Financial Services in 2005.

During this time Andrew has gained experience in Pre and Post Retirement Planning, Insurance and Estate Planning, Funds Management and Superannuation and Investment Advice.

### **Industry Credentials**

Andrew has completed a Graduate Diploma of Financial Planning through the Australian Securities Institute and has also completed a Bachelor of Commerce at the University of Wollongong.

Andrew has also completed various specific financial planning and investment training courses and keeps up to date with financial planning issues by further study and attending industry forums and seminars.

### **Service & Advice Focus**

Andrew is focused on wealth accumulation and protection for people of all ages prior to retirement. After retirement, Andrew focuses on protection of capital, tax effective income streams and maximisation of benefits for clients if they require Centrelink advice.

Hales Douglass Financial Services Pty Ltd [www.halesdouglass.com.au](http://www.halesdouglass.com.au) 41 Deering Street / PO Box 385  
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