

Financial Services Guide

# A guide to our relationship with you

Shadforth Financial Group Limited  
ABN 27 127 508 472  
AFSL 318613  
Part of the IOOF group  
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# Purpose and content

This Financial Services Guide (FSG) provides important information to help you decide if you want to use our financial services. It includes details of:

- the financial services and products we offer
- our fees
- adviser(s) who may be appointed to assist you with financial services
- how we and our associates are paid, and any interests, associations or relationships that could affect our advice
- our internal and external dispute resolution procedures and how to access them
- our privacy policy.

## What other documents might I receive from Shadforth?

If you decide to obtain personal advice from us we will provide our initial advice and any significant subsequent advice to you in a written report called a Statement of Advice (SoA). Your SoA will set out our advice, the basis on which it is given, our fees and/or commissions, as well as information about any associations or relationships that could affect it.

It is important to note that we can only provide personal financial advice after making enquiries, and after giving consideration to your current financial situation and future requirements.

If you receive additional ongoing financial advice from us and a SoA is not provided to you, we will record details of that advice in a Record of Advice document. You can request a copy of any relevant Record of Advice documents within seven years of receiving the advice from us.

You should also note that if we recommend a particular financial product to you, we will generally provide a Product Disclosure Statement containing information about the particular product in order to help you make an informed decision.

## About us

This FSG, has been produced by Shadforth Financial Group Limited (Shadforth, 'we', 'us', and 'our'). Shadforth:

- will act on your behalf and has authorised the distribution of this FSG
- holds Australian Financial Services Licence No.318613.

You can contact us by:

Telephone: 1300 308 440

Facsimile: 1300 657 879

Web: [sfg.com.au](http://sfg.com.au)

Mail: Shadforth Financial Group Limited,  
Level 6, 161 Collins Street  
Melbourne, VIC, 3000

We are part of the IOOF group comprising IOOF Holdings Limited ABN 49 100 103 722 and its related bodies corporate (IOOF group).

## Over 90 years experience, generations of trust

Our experienced and dedicated private client advisers offer highly personalised financial advice, developing tailored financial solutions and services for each client's circumstances and objectives.

As a Shadforth client, you'll be provided with all the information and resources you need to feel empowered and in control of your finances, leaving you to enjoy the things that are really important in life.

We regularly meet with our clients to stay up to date with their personal circumstances and affairs, and also to adjust our recommendations so they can take advantage of emerging opportunities created by the ever-changing environments of taxation, superannuation, investment markets and government regulations.

We challenge ourselves to be the best in everything we do, and we embrace the opportunity to question conventional wisdom and champion better outcomes for our clients.

# Our products and services

We offer you the flexibility and convenience of accessing high-quality financial advice and services to help you generate and maintain wealth over time.

Services offered or arranged by us include:

- advice on investment objectives and strategies to help you achieve your financial goals
- corporate superannuation advice
- advice on structuring your investments and superannuation for maximum tax effectiveness and flexibility
- regular review of your financial planning strategies, objectives and portfolio investments
- share market trading and portfolio construction
- administration of, and reporting on, your investments – including performance and asset allocation position
- advice on wealth creation strategies and cash flow management issues
- advice on the preparation or review of investment programs in Managed Discretionary Accounts (MDA)
- retirement planning advice
- life insurance advice.

We can advise and deal in relation to the following financial products:

- deposit products
- derivatives
- government debentures, stocks or bonds
- investment life insurance and life risk products
- managed investments including Investor Directed Portfolio Services (IDPS) and MDA services
- securities
- standard margin lending facilities
- superannuation and retirement savings accounts.

In some cases, advisers and other persons authorised to provide services on our behalf are only authorised to provide a certain range of services. In these circumstances, it is important to review any restrictions to the authority issued to the representative (a copy of which is available on request).

# Our advice

## Who will be my adviser?

Your adviser will be a representative of Shadforth.

## Who is responsible for the financial services provided?

Shadforth is responsible for the financial services we and our representatives provide to you. If you are an existing or new client of Shadforth, any financial services provided to you are provided by Shadforth acting in its own capacity.

If you are a pre-existing client of a related company of Shadforth, you may continue to see references to that related company on statements, invoices, reports and correspondence sent to you by us, fund managers or platform providers. This is because the contractual arrangements you have with that related company continue, although Shadforth is providing financial services to you on behalf of that related company.

## Do you have any relationships that might influence the advice?

Relationships that might influence our advice include:

### [a Our relationships with other professionals](#)

We may pay a fee to other professionals for referring you to us.

### [b Our relationships with related companies](#)

Where we recommend a product or service, in some circumstances a related company may receive a fee for that product or service. Circumstances where this might occur include where we:

- recommend a product or service be provided by a related company
- recommend a MDA or IDPS operated by a related company
- arrange for you to participate in an Initial Public Offer (IPO) underwritten by a related company.

Related companies in the IOOF group include Australian Executor Trustees Limited ABN 84 007 869 794 AFSL 240023, IOOF Limited ABN 21 087 649 625 AFSL 230522, IOOF Investment Management Limited ABN 53 006 695 021 AFSL 230524, Perennial Investment Management Limited ABN 13 108 747 637 AFSL 275101 and Managed Portfolio Services Limited ABN 77 009 549 697 AFSL 233761.

Related companies, their employees, representatives, directors and associates may also hold interests in products we recommend.

## c) Our relationships with others

Members of the IOOF group have agreements with a number of financial product issuers and service providers. They include:

- Avanteos Investments Limited (Avanteos)
- BT Financial Group (whose brands include Asgard, BT & BT Investment Management)
- Colonial First State Investments Ltd
- Praemium Limited and
- UBS Securities Australia Limited.

Details of the fees and relationships of these other companies can be found in the relevant disclosure document for the product or service recommended which will be provided to you as appropriate.

### **How will you prepare and provide me with suitable advice?**

We examine your financial position and create a structured plan designed to achieve your financial goals in life over defined timeframes. We do this by helping you to identify and prioritise your goals, developing realistic strategies and helping you to assess the merits of each alternative, making any changes you require to the strategies. A regular review will ensure that your strategy remains consistent with your goals and objectives as they change over time.

### **Are there any limitations to your advice?**

We only advise and deal in products and services that are listed on our Approved Products and Services List. This list, which is regularly reviewed and updated, is the result of research of a wide range of financial products, and administration arrangements, of leading financial product issuers. From this process we select the best and most appropriate for the majority of our clients. For more information on our Approved Products and Services, please contact your adviser.

As there may be other products and services that could also be suitable, you should observe any warnings and consider any significant risks contained in our advice prior to implementing any of our recommendations – as any investment decision carries with it a degree of risk – either the risk of capital loss or the risk of the expected benefits not being obtained.

From 1 July 2014, new regulations requires your adviser to declare whether they are a registered tax (financial) adviser or not, hence whether or not they are authorised to provide tax (financial) advice. We recommend that you seek independent legal and tax advice about our recommendations and confirm any entitlement to government benefits with the relevant department.

## **How do we protect your personal information?**

We recognise the importance of protecting your privacy. Your personal information will be handled in accordance with our privacy policy, which outlines how the information we collect from you is used, stored and disclosed.

We will collect your personal information from the questionnaire you complete with your financial adviser. As a financial service provider, we are obligated to verify your identity and the source of any funds. Accordingly, we will ask you to present identification documents, such as, your passport and driver's licence, which will be held on file.

## **What is my personal information used for?**

The main reason we collect, use and/or disclose your personal information, is to provide you with the products and services that you request. This may also include the following related purposes:

- to help your financial adviser provide you with financial advice and ongoing services in relation to your financial products
- to facilitate internal administration, accounting, research, risk management, compliance and evaluation of IOOF group products and services
- to establish and maintain insurance protection that you may request
- to provide you with information about other products and services that we or other members of the IOOF group offer that may interest you.

We may also disclose your information to external parties some of whom act on your or our behalf. These parties may include:

- your financial adviser
- banks or other financial institutions
- insurers and reinsurers and their claims agents and assessors
- product providers
- mail houses
- other companies within the IOOF group.

We are also permitted to collect and disclose your personal information when required or authorised to do so by law.

If you do not provide the personal information requested, we may not be able to provide you with the financial services you want.

## Accessing and correcting your personal information

If you have concerns about the accuracy and completeness of the information we hold, you may request access to your personal information by contacting the Privacy Officer at the address listed in the contact details of this FSG.

Depending upon the nature of the request, we may charge you the reasonable costs of giving you any information you have requested.

You can get a copy of our Privacy Policy from your adviser, from our website ([www.sfg.com.au](http://www.sfg.com.au)) or by asking us.

## Other

### How can I give you instructions?

You can give us instructions by telephone, fax, email or other means as agreed with us. Some financial products have their own rules about how to give instructions. Please refer to the Product Disclosure Statement of the relevant product for those details.

### Are there any special rules that apply to transactions in shares listed on the ASX?

Rules designed to ensure a fair and orderly market may mean that in the event of an error or omission, the ASX Market Participant with whom your instruction is placed may be required to amend or cancel a trade or crossing without your consent – at the instruction of ASX. We will notify you if we are aware that this has occurred or may occur.

## Our remuneration

Where your adviser is an employee of a member of the IOOF group, his or her remuneration will include a salary and may include a bonus based upon performance and achievement of various objectives. The variable/bonus component of the employee's remuneration is determined semi-annually, based on a number of factors including growth in funds and clientele, the standard of service provided to clients, the training undertaken by the adviser and revenue received by us for the prior year. Revenues received from sources not on our Approved Products and Services List or from minor revenue providers are not included for the purpose of calculations.

Your adviser's remuneration may also include a share of dividends from IOOF Holdings Limited (where he or she holds shares in that company). If any other remuneration is payable (and not disclosed here), we will provide information about how that amount is calculated when we give you our advice.

## How will I pay for the services provided?

Before we provide any services we will agree with you how we get paid. We offer a variety of service levels and fee structures that can be tailored to suit your individual circumstances. Fees may comprise one, or a combination of the following:

- a fee based on the value of the funds you invest
- a fee based on the time we spend developing or implementing your plan
- an agreed fee-for-service such as a management fee paid annually or in instalments.

If we recommend that a product or service be provided by a related company, that company will benefit by receiving the fees they charge for the product or service as shown in the disclosure document or agreement. Other remuneration received by the IOOF group may include:

- a payment of up to 88% of administration fees for Asgard products
- a payment of up to 76% of administration fees for BT Wrap & BT SuperWrap products
- a payment of 0.0786% pa of funds in relation to Asgard and BT products
- a payment of up to 0.1% pa in relation to the First Choice range of products
- a share of administration fees for wrap services operated by Avanteos or for products they issue (Avanteos will retain up to 0.2 per cent pa)
- if a related company holds your money in trust pending purchase of a financial product, the related company receives the interest earned, and
- a share of brokerage fees incurred for share transactions through a broker.

We will provide details to you about our fees and any payments made to us by product issuers when we provide our advice to you. We will also explain the fees associated with a particular product or service we recommend. You have the right to request further information about the remuneration we receive, so if there is anything that is unclear or if you require more information about the service levels we offer, please contact your adviser.

## Typical examples of fees

### Preparation of an Initial Statement of Advice

From \$2,200: The actual amount will depend on the time involved and complexity of the advice required.

*Example: John and Mary require a statement of advice, a fee of \$2,750 is agreed.*

### Annual fee-for-service

From \$2,500. The actual annual fee-for-service will depend on a number of factors that includes the time involved and complexity of the financial services required, the fee may be considerably higher in some cases.

*Example: John and Mary require ongoing advice and an annual fee for service charge of \$11,000 is agreed.*

### Fees for share and derivatives transactions

Brokerage fees generally vary between 0.55% (for large transactions) and 2.75% (for small transactions) – subject to a minimum brokerage fee that might be set from time to time. The cost of brokerage for share transactions through platforms are set out in the relevant disclosure documents and will typically be less than this. We will tell you what brokerage fees will be incurred for share transactions, and any commission payment that is payable to us as a result of our advice (being a portion of the brokerage).

*Example: John and Mary dispose of a small holding of shares worth \$2,000 that they inherited. In this example, a brokerage fee of \$99 is incurred (the minimum) and an amount of \$86.50 is paid to us.*

### Commission for Life Risk Insurance Products

An initial commission of up to 130% of the first year's annual premium and then ongoing commission of up to 40% of the annual premium paid.

*Example: John purchases life insurance with an annual premium of \$2,000 paying an ongoing commission of 20% (\$400 pa).*

## What other benefits does Shadforth receive?

If Shadforth, or an adviser receives a minor non-monetary benefit of between \$100 and \$300 or a contribution toward the cost of professional development, the benefit will be noted in a register. Should you wish to see this register, please contact us.

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

In some situations, clients are referred to us by someone else. If this occurs, and we pay a fee or commission in relation to that referral, we will tell you who will receive that fee or commission, and the possible amount.

## If you have a complaint

We are committed to providing our clients with the highest standards of client service. This involves being completely transparent in the way in which we charge for our services, and being proactive and forthcoming with important information which we believe may assist you with decision-making during our relationship with you.

Should you feel less than completely satisfied with the service you receive, it is important to notify us immediately to have the issue raised and resolved.

You should take the following steps.

1. Contact us and tell us about your complaint.
2. If your complaint is not satisfactorily resolved within 5 days, please put your complaint in writing and send it to:

Complaints Officer  
Shadforth Financial Group Limited  
Locked Bag 4004  
Queen Victoria Building NSW 1230  
Telephone: 1300 308 440

We shall endeavour to resolve your complaint quickly and fairly. If the complaint is not resolved to your satisfaction or within 45 days, you have the option of referring your complaint to the Financial Ombudsman Service (FOS). Their telephone number is 1800 367 287. FOS will be able to advise you as to whether or not they can be of assistance. We are a member of this service. If the complaint involves ethical conduct of an FPA member, you also have the option of raising your concern in writing with the Financial Planning Association of Australia Limited (FPA). The FPA can be contacted at: PO Box 109, Collins Street West, Melbourne, VIC 8007. For further information about your rights you can contact the Australian Securities and Investments Commission on their Infoline at 1300 300 630.

Shadforth will take reasonable steps to ensure that we have Professional Indemnity Insurance cover that we believe meets the requirements of s912B of the Corporations Act to provide compensation to persons who successfully claim for losses suffered due to breaches of licensee obligations by representatives or employees of Shadforth.



**1300 308 440**  
**sfg.com.au**



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