

HOLZWORTH PARTNERS

FINANCIAL SERVICES GUIDE

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Corporate authorized representative no. 1253952

and

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of

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Let us guide you

The purpose of this Financial Services Guide (FSG) is to help you make an informed decision about the services we offer and whether they are appropriate to meet your needs. This FSG provides you with important information on how to engage with our Financial Advisers.

This FSG covers the following:

- Information about Zenith Representatives as a licensee.
- Details on how you may instruct your Adviser.
- Who will be responsible for providing the financial services.
- Details of the financial services and/or products Zenith Representatives can provide.
- The documents you may receive.
- Remuneration received by your Adviser.
- Other forms of remuneration or benefits.
- Privacy (i.e. collection and handling of your personal information).
- The complaints procedure.
- Compensation arrangements in place.
- Our MDA service and how it can assist you.

Please take the time to review this document before engaging our services.

Throughout this FSG, Zenith Representatives is referred to as “we”, “us”, “our” or any variations. The term “Adviser” refers to Zenith Representatives authorised representatives and financial advisers.

Our responsibility

Your Adviser provides financial advice and services on behalf of Zenith Representatives and accordingly we are responsible for the financial advice and services they provide.

Our Advisers are committed to providing quality financial advice and a wide choice of products and/or services to suit individual client circumstances.

Your Adviser is obliged by law to act in your best interests and provide appropriate advice when providing financial advice to you.

As part of our commitment to you, Zenith Representative’s advisers adhere to the Codes of Ethics/Conduct of the Institute of Public Accountants (IPA).

The adviser profiles

Prior to providing any personalised financial advice products and/or services our Advisers are required to provide you with a copy of this FSG along with an Adviser Profile.

The Adviser Profile contains important information about your Adviser. This includes their Authorised Representative number and/or Corporate Authorised Representative number (if applicable), accreditations, and qualifications.

What we can provide

Zenith Representatives is licensed to provide financial product advice on the following services:

- Wealth creation strategies
- Life insurance advice
- Superannuation strategies
- Debt reduction strategies

- Cash flow management
- Retirement planning
- Aged care strategies
- Estate planning strategies
- Tax (financial) advice

We can advise in the following products:

- Basic deposit products
- Debentures, stocks and bonds
- Life insurance (personal and business)
- Managed investments
- Investor Directed Portfolio Services (IDPS)
- Retirement Savings Accounts (RSA)
- Securities
- Derivatives
- Standard margin lending
- Superannuation
- Self-managed superannuation
- Foreign Exchange Contracts
- Managed discretionary account services (MDA)

Zenith Representatives maintains an Approved Product List (APL). Subject to attaining required accreditation, your Adviser is able to recommend any product on the Zenith Representatives APL.

There may be instances where your Adviser will need to consider products outside of the APL. In these cases, your adviser may apply to Zenith Representatives' Research Department to obtain a one-off product approval.

Documents you may receive

If you decide to obtain personal financial advice, your Adviser will need to determine your needs, objectives and relevant financial circumstances.

At the initial advice appointment, your Adviser will typically gather the relevant information by using a client data collection form. You will be asked to provide accurate information about your personal and financial situation and keep your Adviser informed of any changes to your relevant circumstances.

Your Adviser will also need to verify your identity.

When your Adviser provides personal financial advice to you, you may receive one or more of the following documents:

- Letter of Engagement
- Statement of Advice (SoA)
- Record of Advice (RoA)
- Product Disclosure Statement (PDS)
- Fee Disclosure Statement (FDS)
- Renewal Notice

The SoA will set out the advice that has been tailored to your specific circumstances and provide you with details of all relevant disclosures including details of any remuneration payable.

Where you receive ongoing or further advice a RoA may be provided.

A PDS will be provided if a product recommendation is made and includes detailed information on the financial product including features, benefits, conditions, costs and cooling off rights (if applicable).

An FDS will be issued to you in instances where you enter into an Ongoing Fee Arrangement with your Adviser for a period greater than 12 months. The FDS will contain information about the services you were entitled to receive, the services you actually received and the fees you paid during the period. The FDS will be provided to you annually.

When you commence an ongoing fee arrangement your Adviser will also issue a Renewal Notice every 2 years. The Renewal Notice will give you the option of renewing the ongoing fee arrangement.

You may request in writing a copy of any advice document up to seven (7) years after the advice has been given.

How the MDA service works

Zenith Representatives Pty Ltd offers Managed Discretionary Account (MDA) Services through an agreement with clients called a MDA Contract.

By accepting the terms of a MDA Contract you will be granting your adviser an authority to take action on your investment portfolio (e.g buy or sell investments) without first consulting you.

This will change the nature of the adviser-client relationship.

Normally, your adviser provides you with advice and recommendations supported by research or other information to assist you to make an informed decision on those recommendations. Your adviser then implements whatever action you decide to take.

If you accept the terms of an MDA Contract, you will, to some degree depending on the limitations/restrictions detailed in the MDA Contract, provide your adviser with the authority to make decisions on your investment portfolio and to implement investment transactions without consulting you.

You may give instructions to your adviser on how rights relating to the financial products in your investment portfolio are to be exercised by providing those instructions to your adviser in writing.

The decision to surrender full or partial control of your investment portfolio to your adviser is an important decision.

You should not accept the terms of a MDA Contract provided by your adviser unless you are confident that he/she has a clear understanding of your circumstances, needs and objectives.

The significant risks of accepting the terms of a MDA Contract provided by your adviser are:

- Your adviser may make investment decisions that you disagree with. Provided your adviser's actions are within the law and the scope of the authority you have granted, and the adviser has acted efficiently, honestly and fairly, you will have no right of recourse.
- This means that you will have to accept the tax consequences, transaction costs and any capital loss resulting from any transaction validly executed by your adviser and any "reversal" of that transaction that you may request.

- If you do not promptly inform your adviser of any changes in your situation, needs and objectives, there is a risk that your adviser may make inappropriate investment decisions.

You may only enter into a MDA Contract where your investment portfolio is held via a regulated platform such as an investor directed portfolio service (IDPS), IDPS-like scheme, superannuation wrap or master trust. The assets that will be managed under the terms of your MDA Contract will be held as part of your account on the relevant platform, and the MDA services may not include custodial or depository services.

You must enter into the MDA Contract provided by your adviser before he/she can provide you with MDA services. Your MDA Contract will include an Investment Program prepared by your adviser that complies with Division 3 of Part 7.7 of the Corporations Act, and that will contain:

- Statements about the nature and scope of the discretions your adviser will be authorised and/or required to exercise under the MDA Contract and the investment strategy that is to be applied in exercising those discretions;
- Information about any significant risks associated with the MDA Contract;
- The basis upon which your adviser considers the MDA Contract to be suitable for you; and
- Warnings that the MDA Contract:
 - May not be suitable to you if you have provided limited or inaccurate information relating to your relevant personal circumstances; and
 - May cease to be suitable if your relevant personal circumstances change.

Note that your adviser will exercise, on your behalf, all rights that relate to your portfolio arising from corporate actions and communications about your portfolio assets.

Your adviser will be responsible for reviewing the suitability of the MDA Contract (including the Investment Program that forms part of it) to your relevant personal circumstances at least once every thirteen (13) months, unless the MDA Contract is terminated earlier.

Risk of our MDA service

The main risk of using the MDA service is that you will not know the changes we make to your investments before they are made. However, we will only make adjustments which are consistent with the agreed investment strategy.

Risks associated with investments made through the MDA service should be considered carefully. Such risks are set out in the investment products profiles for the model portfolios or the offer documents for relevant investments. Your financial adviser can provide access to or copies of documentation relevant to your investments.

MDA fees and costs

Did you know?

Small differences in both investment performance, fees and costs can have a substantial impact on your long-term returns. For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30-year period (for example, reduce it from \$100 000 to \$80 000). You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs. You may be able to negotiate to pay lower contribution and management costs where applicable. Ask the fund or your financial adviser.

To find out more

If you would like to find out more, or see the impact of the fees based on your own circumstances, the Australian Securities and Investments Commission (ASIC) website (www.moneysmart.gov.au) has a managed funds fee calculator to help you check out different fee options.

This section shows the fees and other costs you may be charged for using our MDA service. These fees and costs may be deducted from your money, from the returns on your investment or from the assets managed in connection with the MDA services.

You should read all the information about fees and costs because it is important to understand their impact on your investments managed in accordance with the MDA services.

Managed Discretionary Account		
Establishment Fee The fee to open your investment	Nil	Not applicable
Contribution Fee¹ The fee on each amount contributed to your investment	Nil	Not applicable
Withdrawal Fee¹ The fee on each amount you take out of your investment	Nil	Not applicable
Exit Fee¹ The fee to close your investment	Nil	Not applicable
[MDA advice fee]	Nil	Not applicable
Investment research fee	0.495%p.a.	Directly from your investment monthly
Switching fee The fee for changing investment options	Nil	Not applicable

¹ This fee includes an amount payable to an adviser.

Example of annual fees and costs for MDA services

This table gives an example of how the fees and costs for the MDA Service can affect your investment over a 1-year period. You should use this table to compare this product with other similar investment products.

EXAMPLE — MDA service		BALANCE OF \$50,000 WITH A CONTRIBUTION OF \$5,000 DURING YEAR
Contribution Fees	Nil	For every additional \$5,000 you put in, you will be charged \$0
Plus Management Costs	0.495%p.a.	And, for every \$50,000 managed under the MDA service, you will be charged \$247.50 each year.
EQUALS Cost of MDA service	272.25	If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged total fees of \$272.25. What it costs you will depend on the investment option you choose and the fees you negotiate.

This example is illustrative only and fees and costs may vary for your actual investment. This example only shows the fees and costs that relate to receiving the MDA services, which can only be received in connection with your platform account. The example does not include the fees and costs of the underlying investments acquired through that platform. Additional costs will be charged by the issuers of the products that may be acquired as part of your MDA service via your platform account. Refer to the disclosure document for your platform for an explanation of the fees payable in connection with your platform account.

How to give instructions

Your Adviser may accept your instructions by phone, letter, email or fax. In some instances, your Adviser can only accept written instructions from you and they will let you know when this occurs.

Your privacy

Your Adviser is required to maintain physical or electronic records of documentation for any financial advice given to you, including information that personally identifies you and/or contains information about you.

These records are required to be retained for at least seven (7) years. If you want to access your personal information at any time, please let us know.

You have the right not to provide personal information to your Adviser. However, in this case, your Adviser will warn you about the possible consequences and how this may impact on the quality of the advice provided. Additionally, your Adviser may also decline to provide advice if they feel they have insufficient information to proceed.

Zenith Representatives respects your privacy and is committed to protecting and maintaining the security of the personal and financial information you provide us. For detailed information on how we handle your personal information, please see our Privacy Policy.

This Policy is located at: **Error! Hyperlink reference not valid.**

Anti-Money Laundering and Counter-Terrorism Financing

As a reporting entity under the Anti-Money Laundering and Counter-Terrorism Financing Act, we are committed to ensuring our services do not facilitate or are associated with money laundering or terrorism financing practices. Before we arrange a financial product for you, we will need to verify your identity by viewing your identification documents (e.g. passport, driver's licence). We will retain copies of this information and assure you that this information will be held securely.

Disclosure of information

Throughout the advice process, your personal information may be disclosed to other services providers. These may include:

- Financial product providers
- Financial planning software providers
- Administration and paraplanning service providers
- IT service providers

Zenith Representatives may engage third party service providers to assist in the provision of products or services.

Some services may require disclosure of personal information to service providers outside Australia. The purpose of such disclosure is to facilitate the provision of financial services including the preparation of financial advice documents for Zenith Representatives Advisers.

All reasonable steps will be taken to ensure that offshore service providers comply with the Privacy Act 1988.

Adviser remuneration

The cost of providing a financial product or service to you will depend on the nature and complexity of the advice, financial product and/or service provided. Generally, whenever your Adviser provides a recommendation for a financial product or service, your Adviser may be remunerated through either:

- An initial fee for service; or
- An ongoing fee for service; or
- A contribution fee or implementation fee; or
- Commission payments from product providers where applicable; or
- A combination of any of the above.

Details of the ranges and amounts of remuneration are set out below. Amounts are inclusive of GST.

<i>Types of Remuneration</i>	<i>Initial</i>	<i>Ongoing</i>
Adviser Service Fee		\$220 - \$10,000 (0.0% - 5.5%)
SoA/ Advice Preparation Fee	\$220 – \$10,000 (0.0% - 5.5%)	
Hourly Rate	\$330 per hour	\$110- \$330 per hour
Insurance Commission	77%	22%

Prior to preparing any advice or providing financial services to you, we will discuss and agree upon all fees that will apply.

All fees or commissions are initially paid to Zenith Representatives before being distributed in full or in part to HWP Financial Pty Ltd.

Licensee remuneration

Zenith Representatives receives a flat fee from HWP Financial Pty Ltd for the provision of services required under its Australian Financial Services Licence.

Referrals

Where you were referred to your adviser by a third party, such as an Accountant or Mortgage Broker, the third party may receive a fee for the referral. You will receive more detailed information concerning any referral fee in your SoA or other relevant document.

Other forms of remuneration or benefits

Zenith Representatives and/or its Advisers may receive non-monetary benefits where:

- The amount is less than \$300 and identical or similar benefits are not given on a frequent basis;
- The benefit has a genuine education or training purpose (including attendance to conferences) and is relevant to providing financial product advice; and/or
- The benefit consists of the provision of information technology software or support and is related to the provision of financial product advice in relation to the financial products issued or sold by the benefit provider

Payments or benefits received are disclosed in a register. A copy of the register is available upon request.

Related companies

Zenith Representatives Pty Ltd, IndexInvest Pty Ltd Holzworth Partners Pty Ltd and HWP Financial Pty Ltd are members of the Holzworth Partners Group. Employees within Holzworth Partners Group are also Directors of HWP Financial Pty Ltd.

Holzworth Partners Group offers a number of services and investment solutions including, the IndexInvest Managed Discretionary Account, IndexInvest SMA products. Holzworth Partners Group retains all profit from these products and services. We and our respective families, companies and trusts may have an interest in the investments or securities included in your portfolio which may influence, or be seen to influence, the advice that they provide you.

Although we are under no obligation to recommend these investment solutions, should they be suitable to assist you reach your individual financial objectives and needs, it is likely that we will recommend them to you.

Sponsorship

Zenith Representatives and its related companies may receive payments or benefits from product providers in return for granting rights such as being recognised as a sponsor and the right to promote their product and give presentations at conferences and/or professional development training days.

Zenith Representatives may use these payments to pay for costs associated with such conferences, training or professional development days.

Professional Indemnity

Zenith Representatives maintains a group policy which includes appropriate Professional Indemnity Insurance cover for Zenith Representatives as required by the Corporations Act 2001.

Reporting your concerns

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

1. Contact Zenith Representative to discuss your complaint.

Phone 07 3999 9751
Email admin@zenithrepresentatives.com
Mail Manager Zenith Representatives
GPO Box 5073
Brisbane, Qld 4001

2. We will acknowledge receipt of a complaint immediately, however, where this is not possible, acknowledgement will be made as soon as practicable.
3. We will then investigate the complaint and respond to you within 45 days. Some complex matters may require an extension to thoroughly investigate the complaint and bring it to resolution.
4. If you are not fully satisfied with our response, you have the right to lodge a complaint with the Australian Financial Complaints Authority (AFCA). AFCA provides fair and independent financial services complaint resolution that is free to consumers.

The contact details for AFCA are:
Phone 1800 931 678 (free call)
Online www.afca.org.au
Email info@afca.org.au
Mail GPO Box 3
Melbourne VIC 3001

Furthermore, the Australian Securities and Investments Commission (ASIC) has a free of charge infoline on 1300 300 630, which you may use to obtain information about your rights and to make a complaint.

Contact us

Zenith Representatives

Phone 07 3999 9751
Email admin@zenithrepresentatives.com
Mail Manager Zenith Representatives
GPO Box 5073
Brisbane, Qld 4001

For more information:

Please visit moneysmart.gov.au for more information on financial advice.

Adviser Profile

The following people are authorised to provide financial advice on behalf of Holzworth Partners Group. Please visit www.holzworth.com.au for more team information:

Mark Holzworth

- Fellow, Institute of Public Accountants (FIPA);
- Fellow, Institute of Financial Accountants (UK) (FFA);
- Master of Commerce (Professional Accounting) (MCom) degree;
- Graduate Certificate in Professional Accounting (Grad Cert Prof Acctg);
- Advanced Diploma of Business (Accounting) (Adv Dip Bus);
- Diploma of Financial Planning (Dip FP);
- Registered Tax Agent;
- Approved Self-managed Superannuation Fund Auditor;

- Accredited Derivatives Adviser;
- Accredited Foreign Exchange (FX) Adviser
- Accredited Margin Lending Adviser.

Australian Securities and Investments Commission (ASIC) Authorised Representative No. 0271831

Jane Purnell

- Member, Institute of Public Accountants (MIPA);
- Associate, Institute of Financial Accountants (UK) (AFA);
- Bachelor of Business Psychology degree (BPSB);
- Affiliate Member of Institute of Managers and Leaders (IMLa)
- Diploma of Financial Planning (Dip FP);
- Accredited Margin Lending Adviser.

Australian Securities and Investments Commission (ASIC) Authorised Representative No. 1256547

Neil Hamilton

- Diploma of Financial Planning (Dip FP);
- Certificate III Banking and Finance;
- Accredited Margin Lending Adviser;
- Certificate in Superannuation Management.

Australian Securities and Investments Commission (ASIC) Authorised Representative No. 0253053

Seton Samson

- Bachelor of Commerce (Finance and Accounting);
- Diploma of Financial Planning (Dip FP);
- Associate, Institute of Public Accountants (AIPA);
- Associate, Institute of Financial Accountants (UK) (AFA);

Australian Securities and Investments Commission (ASIC) Authorised Representative No. 1256601

Daniel Judge

- Bachelor of Business and Finance (BBus)
- Associate, Institute of Public Accountants (AIPA)
- Associate, Institute of Financial Accountants (AFA);

Australian Securities and Investments Commission (ASIC) Authorised Representative No. 1270979

Ben Baldry

- Diploma of Financial Planning (Dip FP);
- Associate, Institute of Public Accountants (AIPA);
- Associate, Institute of Financial Accountants (UK) (AFA);

Australian Securities and Investments Commission (ASIC) Authorised Representative No. 1273191

Ebony Lawton

- Diploma of Financial Planning (Dip FP);
- Associate, Institute of Public Accountants (AIPA);
- Associate, Institute of Financial Accountants (UK) (AFA);

Australian Securities and Investments Commission (ASIC) Authorised Representative No. 1272118

Jarad Taylor

- Bachelor of Commerce (Accounting);
- Diploma of Financial Planning (Dip FP);
- Associate, Institute of Public Accountants (AIPA);
- Associate, Institute of Financial Accountants (UK) (AFA);

Australian Securities and Investments Commission (ASIC) Authorised Representative No. 1271638