



strategicwealth





## Who we are

*This document forms part of the Financial Services Guide Version 10 preparation date 3 October 2016 and is designed to clarify who we are, what we do, and aims to help you decide whether to use our services.*

Your financial advice specialists are Representatives of and offer services on behalf of Godfrey Pembroke Limited, AFSL License No. 230 690:

Peter Wilson  
Authorised Representative No. 241941

Adrian Vidotto  
Authorised Representative No. 241821

Tristan Lloyd  
Authorised Representative No. 312355

They are supported in this process by the following Authorised Representatives of Godfrey Pembroke:

Sharon Tan  
Authorised Representative No. 406274

The Financial Services that the above financial advice specialists offer are provided by Strategic Wealth Pty Ltd, ABN 49 110 172 097, Authorised Representative (AR) No. 280883.

Strategic Wealth Pty Ltd specialise in providing advice to Executives, Professionals, Expatriates, Business Owners and Retirees.

Our range of services and advice are designed to enhance your financial wellbeing and assist with managing your financial complexity, allowing you to focus on your business, family and/or retirement needs.

Godfrey Pembroke has authorised your advisers to provide you with this Financial Services Guide.



## What we do

We are authorised by Godfrey Pembroke Limited to provide financial advice in relation to:

- Wealth Accumulation
- Income & Asset Protection
- Tax Strategies
- Superannuation (Inc. SMSFs)
- Retirement & Redundancy Planning
- Estate Planning
- Government Benefits
- Debt Management

and to provide advice and deal in the following financial products:

- Basic Deposit Products
- Non-basic Deposit Products
- Non-cash Payment Facilities
- Life Products – Investment Life Insurance
- Life Products – Life Risk Insurance
- Managed Investment Schemes, including Investor Directed Portfolio Services (IDPS)
- Superannuation
- Retirement Savings Accounts
- Derivatives #
- Government Debentures, Stocks or Bonds
- Securities
- Standard Margin Lending Facilities

# **Peter Wilson** and **Adrian Vidotto** are specifically authorised to provide advice in relation to Derivatives.



## How we charge for our services

All fees and commissions are inclusive of GST and the fees could be greater than those disclosed below in complex cases. In these instances, we will inform you of the exact fee payable promptly in writing.

<b>Initial consultation</b>	At our expense.
<b>Advice preparation</b>	<p>Our fee for the completion of your Needs Analysis and preparation of your Wealth Management Plan will range from \$4,400 - \$16,500 depending on the level of complexity of your situation and the advice provided. Complex advice requirements include the use of trusts and ownership structures, overseas assets or incomes, executive options and share schemes or multiple investment entities. 50% of the agreed fee will be invoiced at the commencement of work and the residual 50% will be invoiced upon delivery of the Wealth Management Plan.</p>
<b>Implementation (fee for advice)</b>	<p>In the majority of cases, fees associated with implementation activities are covered under the Ongoing Advice Fee arrangement. However, in some cases the implementation activity can be complex and a fee for this work will be identified in the Wealth Management Plan.</p> <p>Where applicable, implementation fees may range from \$1,000 - \$5,000 and will vary depending on the level of complexity of your situation.</p>
<b>Ongoing fee for advice</b>	<p>We operate on a Fee for Advice basis. You have the choice of the following fee structures:</p> <p>A Fixed Adviser Service Fee, reviewed annually,</p> <p><b>OR</b></p> <p>A Strategic Review Fee plus a Portfolio Management Fee,</p> <p><b>OR</b></p> <p>A Portfolio Management Fee.</p> <p>The Ongoing Advice Fee charge will be based on the level of service needed and the complexity of the advice. Complex advice requirements include the use of trusts and ownership structures, overseas assets or incomes, executive options and share schemes or multiple investment entities. The level of investments under management and the frequency of review may also impact on the fee charged.</p> <p>In all cases, our minimum annual Ongoing Advice Fee will be \$4,400 and our maximum annual fee will be \$35,000. The fees will be collected on a monthly basis and details on your fee structure will be disclosed in your Wealth Management Plan.</p>



## How we charge for our services (cont.)

All fees and commissions are inclusive of GST and the fees could be greater than those disclosed below in complex cases. In these instances, we will inform you of the exact fee payable promptly in writing.

### Ad hoc advice

The fees for the provision of ad hoc advice not covered by an Ongoing Service arrangement will be charged on an hourly basis at a rate of \$440.

### Stamping fees

Where we receive stamping fees from issuer companies for raising capital or debt on behalf of that company, we will offset this payment against the cost of our advice to you.

### Insurance products

Unless you have agreed to a fee for advice arrangement, we will receive commission for our initial and ongoing services to you. The relevant insurer will pay initial commission between 0% and 130% and ongoing commission between 0% and 33% of the annual premium for as long as you hold the product. Commissions are paid to us by the product provider and are not a direct cost to you. Details of the relevant fee structure will be disclosed in your Wealth Management Plan.

Where a fee for advice arrangement is adopted, the agreed fee for the preparation and implementation of your insurance advice will be influenced by the complexity of your situation and the advice provided. Under this arrangement we do not receive commission either directly or indirectly from any life insurance companies. Details of the relevant fee structure will be disclosed in your Wealth Management Plan.

### Pre-existing arrangements

For existing clients already in an established commission arrangement, we may receive commission on investment products or margin lending products held. For historical investment products, the relevant product issuer may pay an ongoing commission between 0% and 0.88% of the value of your investments for as long as you hold the product. For margin loans the relevant product issuer will pay an ongoing commission between 0% and 0.88% of the outstanding loan balance. Commissions are paid to us by the product provider and are not an additional cost to you.



## Benefits we may receive

### Business Equity Valuation (BEV)

We have detailed below how certain product purchases may benefit our business.

In the event of our death or permanent disablement, or if we were to leave the financial planning industry, Godfrey Pembroke provides a buyer of last resort option called Business Equity Valuation (BEV). This helps manage the transition of ownership to ensure you continue to receive advice.

In addition, we are part of a corporate structure and have a succession agreement in place to manage the transition of ownership should we leave the business.

Our business operates in a corporate structure. This model is less likely to be eligible for BEV as all the Principal Financial Advice Specialists in our business would have to either leave the industry, die, or become permanently disabled.

The value of a sale under BEV is based on a multiple of ongoing revenue received by the business on an annual basis. The multiple can range from 2.5 to 4 depending on the proportion of the ongoing revenue that comes from clients who hold MLC group financial products.

Here are some examples to help you understand the potential benefit to us of our clients holding MLC group product:

- If the ongoing revenue of the business was \$100,000 and 50% of our clients held MLC group products, the sale value for the financial planning business would be between \$250,000 and \$350,000;
- If the ongoing revenue of the business was \$100,000 and 85% of our clients held MLC group products, the sale value for the financial planning business would be up to \$400,000;

Importantly, BEV is subject to us meeting certain compliance requirements and standards.



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For more information on anything you have read in this document or if there is anything else we can help you with, please contact us at:

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