



**GODFREY PEMBROKE**



**BASTION**  
FINANCIAL GROUP

## Representative Profile



*This document forms part of the Financial Services Guide Version 13 preparation date 20 May 2019 and is designed to clarify who we are, what we do, and aims to help you decide whether to use our services.*



# Representative Profile



**GODFREY PEMBROKE**

## Who we are

Your financial advice specialists are Representatives of and offer services on behalf of Godfrey Pembroke Limited.

### **David Benney CFP®**

Authorised Representative No. 241956 Credit Representative No: 370150

David has completed his certification and is a CERTIFIED FINANCIAL PLANNER™ (CFP®). David has also completed the Advanced Diploma of Financial Planning (ADFP), and also holds a Bachelor of Economics and a Graduate Diploma in Applied Finance and Investment. He has been advising clients in the financial services industry for over 25 years. He is a Member of the Financial Planning Association.

He offers his services on behalf of Godfrey Pembroke Limited. Godfrey Pembroke has authorised your advisers to provide you with this Financial Services Guide.

The Financial Services that the above financial advice specialists offer are provided by

Bastion Financial Group Pty Ltd  
ABN 38 164 900 109  
Authorised Representative (AR) No. 443807  
Credit Representative No. 443808

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## 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
- Retirement & Redundancy Planning
- Estate Planning
- Government Benefits
- Debt Management
- Managed Discretionary Accounts

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

## Contact us

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:

Address: PO Box 7034, Cloisters Square, PERTH WA 6850

Phone: (08) 6225 5150

Fax: (08) 9481 2326

Email: [info@bastionfinancialgroup.com.au](mailto:info@bastionfinancialgroup.com.au)



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## Managed Discretionary Account Services

Godfrey Pembroke Limited 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.

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.



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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 does 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.





# Representative Profile



## Fees and Costs

The table below shows the fees and other costs that you may be charged. 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		
Type of fee or cost	Amount	How and when paid
<b>Fees when your money moves in or out of the managed investment product</b>		
<b>Establishment fee</b> The fee to open your investment	Nil	Not applicable
<b>Contribution fee<sup>1</sup></b> The fee on each amount contributed to your investment	Nil	Not applicable
<b>Withdrawal fee<sup>1</sup></b> The fee on each amount you take out of your investment	Nil	Not applicable
<b>Exit fee<sup>1</sup></b> The fee to close your investment	Nil	Not applicable
<b>Management costs</b> The fees and costs for managing your investment <sup>1</sup>		
<b>MDA advice fee</b>	Nil	Not applicable
<b>Service fees<sup>2</sup></b>		
<b>Switching fee</b> The fee for changing investment options	Nil	Not applicable

1. This fee includes an amount payable to an adviser.
2. Whilst we do not charge an MDA fee for the service. Please refer to the “**How we charge for our services section**”, for any other fees that may be incurred on your portfolio.



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## Example of annual fees and costs for MDA Portfolios

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



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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	<i>MDA advice fee</i>	And, for every \$50,000 managed under the MDA service, you will be charged \$0 each year.
EQUALS Cost of MDA service		<p>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 fees of \$0.</p> <p><b>What it costs you will depend on the investment option you choose and the fees you negotiate.</b></p>

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.



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## 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>If you elect to pay us a fee for advice the following fees will apply. The fees will depend on the size of the investment portfolio and the complexity of the advice:</p> <p>The minimum fee charged is \$2,200 while the maximum fee is \$22,000.</p> <p>For example complex advice that contain multiple goals, strategies and/or tax structures including but not limited to; self-managed superannuation Funds, family trusts and companies, are likely to be charged closer to the maximum. Less complex advice that addresses limited goals, strategies and tax structures are likely to be charged closer to the minimum.</p>
<b>Implementation (fee for advice)</b>	This fee will be agreed prior to preparation of the Advice and included in the above preparation cost. Fees may be paid directly by you or collected through the product issuer.
<b>Ongoing fee for advice</b>	<p>If you elect to pay a fee for the ongoing review of your financial planning strategy, the ongoing service fee is based on the complexity of ongoing advice and the services provided. We charge a flat dollar fee for our Ongoing Service package, and that fee is determined by the ongoing management required by your strategy and the complexities involved.</p> <p>The ongoing service fee may be collected monthly through the product issuer or paid directly by you via direct debit or BPay. You and your Adviser will discuss and agree an appropriate fee structure.</p> <p>The following options are available to pay for the financial advice you receive:</p> <ul style="list-style-type: none"> <li>• Fee for service deducted from your investment as a "one off" payment, annually, or in instalments.</li> <li>• Invoice directly for initial and ongoing Advice</li> <li>• Commission by the financial product issuer(s) at the time that you commence an insurance contract.</li> </ul> <p>Borrowed funds – if we recommend you acquire investments using borrowed funds, then your ongoing fee will be a minimum of \$330 and a maximum of \$10,000 per annum.</p>





# Representative Profile



## 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.

<b>Ad hoc advice</b>	Where you do not wish to participate in an ongoing service fee arrangement but require ongoing advice on an ad hoc basis, an hourly fee of \$330 may apply.
<b>Execution only service</b>	Where we provide a financial service to facilitate buying or selling of a specific financial product as instructed by you, a one-off minimum of \$165 and a maximum of \$330 fee may apply.
<b>Stamping fees</b>	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. Generally, this cost will be fully off-set by the handling fee paid by the issuer company.
<b>Pre-existing arrangements</b>	For clients already in a pre-1 July 2013 commission arrangement, we may receive commission on investment and superannuation products or margin lending products. For investment and superannuation products, the relevant product issuer will pay initial commission between 0% and 5.5% and 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.



# Representative Profile



## 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.

### Insurance products

Where we arrange a life insurance product for you, the relevant insurer will pay an initial commission to us. The commission is calculated as a percentage of the premium paid (and may include health, occupational, frequency and modal loadings and policy fees, but excludes stamp duty).

Annual commission will also be paid when you renew your policy each year.

The rates of initial and ongoing commission will depend on the date the policy is issued and are set out in the table below:

Date policy is issued	Initial Commission (% of annual policy cost including GST)	Ongoing Commission (% of annual policy cost including GST)
<b>Before 1 January 2018 or before 1 April 2018 (where the application was received before 1/1/18)</b>	up to 130%	up to 33%
<b>From 1 January 2018</b>	up to 88%	up to 33%
<b>From 1 January 2019</b>	up to 77%	up to 33%
<b>From 1 January 2020</b>	up to 66%	up to 33%

We may receive commission at pre 1 January 2018 rates if:

- you increase your cover, add new cover or otherwise amend a policy purchased by you before 1 January 2018; and
- that policy amendment results in commission receivable by us, and
- that policy amendment is eligible for pre-1 January 2018 commission rates.

*Example (all figures include GST):*

You purchase the policy for \$1000 on 1 December 2019. We may receive an initial commission of up to \$700 (\$1000 x 77%) in the first year and ongoing commissions of \$330 per annum (\$1000 x 33%) for as long as you continue to hold the policy.

If you increase your cover on 1 July 2020 for a cost of \$500, we may receive an initial commission of up to \$330 (\$500 x 66%). The ongoing commissions on the additional cover may be up to \$165 (\$500 x 33%). This is in addition to the ongoing commissions of \$330 per annum when the policy was purchased. Total ongoing commissions payable to us may be up to \$495 (\$1500 x 33%).

Please note that the initial and ongoing commissions on life insurance products are paid to us by the product provider and are not an additional cost to you.



# Representative Profile

## Referrals



At present we do not have any referral arrangement in place to pay a third party referrer a referral fee, commission or other benefit. If this changes, we will make you aware of this prior to providing advice, or further advice, to you.

At present we do not have any referral arrangement in place to provide referrals to third parties in return for payment or other benefit. If this changes, we will make you aware of this prior to providing advice, or further advice, to you.



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