

## Adviser Profile

This Adviser Profile is part of the Austbrokers Phillips Pty Ltd (Phillips) Financial Services Guide (FSG) and should be read in conjunction with this document.

### Who is your Adviser?



Adviser Name :	Gordon Elder
Qualifications:	Certified Financial Planner (CFP) – FPA Diploma in Financial Planning
Business Address:	Level 2, 424 Warrigal Rd, Moorabbin Vic 3189
Telephone:	(03) 8586 9333
Facsimile:	(03) 8586 9394
Email:	<a href="mailto:gordone@abphillips.com.au">gordone@abphillips.com.au</a>

### Gordon's Experience

Gordon has been advising clients for over 28 years, and has four business specialties,

- Young Adults and Families
- Business Owners
- Succession Planning
- Maximising Income in Retirement

His commitment is to understand your financial needs and provide services that will assist you to accumulate wealth as well as protecting it with appropriate Insurance covers that help you plan for your future. Your financial affairs are stronger as a result of the service Gordon provides to you.

Our philosophy is straightforward:

***'Simple Solutions. for Complex Problems'.***

### What kinds of financial products and services can Gordon provide?

Gordon is authorised by Austbrokers Phillips to provide general and personal financial product. Below is the list of list of products which Gordon is able to assist you with:

#### Personal Protection including

- Life Insurance
- Total & Permanent Disability
- Critical Illness & Trauma

#### Personal Accident Insurance

#### Personal Superannuation

#### Retirement Planning Strategies

#### Estate Planning

#### Wealth Creation

#### Salary Packaging

## How are we paid and how do you pay for the service?

When we provide insurance advice to you we work on a commission basis. Insurance product providers pay commissions to Austbrokers Phillips based on the premium they receive for the insurance. These commissions do not form part of your premium and are not in addition to your premium payment.

Commissions are paid when a policy is started and each year when it is renewed. These commissions are based on annual premium and can be either:

- i. Upfront – Between 100% and 116% year one and between 10% and 11.6% on an ongoing basis
- ii. Level – Between 30% and 32% each year or:
- iii. Hybrid – Between 70% and 77% year 1 and between 20% and 27% ongoing

### Example

John and Mary are considering retirement and have been referred to Gordon by some close friends. It is explained to them that the first appointment is free and the aim will be to identify their requirements and answer any questions they may have so that they can make a decision about using the financial advice service. They are asked to complete a short questionnaire before the meeting that covers basic details, goals and objectives, and expectations.

### First Appointment – No cost

At the meeting Gordon discusses their needs and provides an outline of the financial advice process and how it might assist them. Gordon explains that the best course of action is to complete a full financial analysis documented in a Statement of Advice (SOA). He advises that based on their requirements a full SOA will cost \$1800 + GST. They will be able to pay for this via cheque, EFT or possibly via any recommended financial product. Gordon undertakes to have a letter of engagement detailing the scope and cost of his advice to them within 24 hours.

### Initial Advice - \$625 to \$3,500.

John and Mary agree to proceed and have another meeting with Gordon to get more important information about employment, investments, insurance, wills and power of attorney's, and attitude to risk. Gordon has prepared a discussion paper that identifies some strategic options such as a transition to retirement pension and they talk through how they might apply to them. Gordon schedules a meeting to present the SOA and recommendations to them.

Gordon outlines the recommendations and benefits that are contained in the SOA and John and Mary are keen to proceed. The SOA contains an implementation schedule and Gordon explains how he and the team at Phillips will help them to get everything in place. Gordon also explains how it is important to go through this process on a regular basis to keep up with legislative, investment and circumstance changes.

### Ongoing Advice - \$1,750+

In the SOA was a section about ongoing services provided by Austbrokers Phillips and Gordon highlights the proposed roadmap of advice for the next 2 years. The fees for the ongoing service are determined by an asset under management percentage of 0.88% which based on their invested funds of \$400,000 is \$293 per month. This will be paid for from the cash account of their investments and is not a direct cash flow expense. John and Mary sign a service agreement confirming the proposed ongoing arrangement.

## **What are the product costs?**

All product costs will be outlined in the relevant Product Disclosure Statement (PDS) of any financial product recommended. Austbrokers Phillips is usually able to obtain administrative, trustee and investment services at wholesale rates and receives no other income other than that disclosed in you SOA.

## **Making a decision to proceed.**

It is important to consider the sum of all product, administrative and advice costs before making any financial decisions. You will be advised of all costs before they are incurred and be asked to authorise your intention to proceed.