



PASS FINANCIAL

# Financial Services Guide

**Version 6**

**Date: 25 March 2024**

# Important Information

## Financial Services Guide

This Financial Services Guide (FSG), is designed to clarify who we are and what we do, and to help you decide whether to use our services.

To make things simple, this guide explains:

- the services and types of products we're able to offer you;
- how we and our associates are paid and – any other benefits we may receive;
- any potential conflicts of interest we may have;
- how we protect your privacy and handle your personal information; and
- how we resolve disputes, and what you should do if you have one.

Please read through the whole FSG, as it's full of useful information – and is also worth holding on to for future reference. The Privacy Notification on page 11 is worthwhile reading as it gives you further clarity on how we handle your personal information. And of course, if you ever have any questions, please contact us.

## Other documents you may receive

In addition to this FSG, if we provide you with financial advice we will also present you with a written Statement of Advice (SOA). This will describe:

- advice and strategies we recommend and the reasons why;
- the financial products and services we recommend and the reasons why;
- any fees or commissions we will receive; and
- any associations we have with financial product providers or other parties that may influence the advice we provide.

After that, any time you receive further financial advice from us, we will either provide you with another SOA or give you (or keep our own) written Record of Advice (ROA). You can request a copy of this by contacting us any time up to seven years from the date of the advice provided. Please refer to the '**Contact us**' section of this FSG for our contact details.

To help you make an informed decision about a financial product you generally will be given a Product Disclosure Statement (PDS) which outlines the product features and costs in detail. In certain circumstances it is not a requirement that you be given a PDS (including, for example, where you already have one).

## Giving us instructions

If you want to make changes to your financial plan or provide other instructions, please contact us. Please refer to the '**Contact us**' section of this FSG for our contact details.

Generally, you will need to give us instructions in writing (e.g. fax, email or letter) or another method agreed with us.

## Not Independent

Godfrey Pembroke Group Pty Ltd (Godfrey Pembroke) is not independent, impartial or unbiased because we may receive commissions on life insurance products we recommend to our clients.

# About Us

## Who we are

The following financial advice specialists are authorised to provide the financial services referred to in the 'What we do' section of this FSG to you:

**Kasey James Pass**

Authorised Representative No. 394513

**Kevin John Pass**

Authorised Representative No. 241887

The Financial Services that the above financial advice specialists offer are provided by Pass Financial Pty Ltd, ABN 56 072 634 774, Authorised Representative (AR) No. 242024.

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

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

## About us

Kasey Pass has been with Pass Financial since 2010 and is a Certified Financial Planner (CFP®). He completed a Bachelor of Commerce degree at Curtin University and was awarded best graduating student in his Financial Planning major.

Over the last 18 years, Kasey has gained experience in both retail banking and pre-retirement financial planning. He is able to assist with all financial planning matters.

Kevin Pass is a Certified Financial Planner (CFP®) with more than 30 years' experience in the financial planning industry.

Academic qualifications include a Bachelor of Business Degree majoring in Finance and Business Administration and a Diploma in Financial Planning (DFP).

Kevin has a wide range of practical experience in all financial planning matters.

# About Godfrey Pembroke Group Pty Ltd

At Godfrey Pembroke Group Pty Ltd (Godfrey Pembroke) we pride ourselves on providing a comprehensive range of financial advice services. Our network of advisers bring specialist expertise, and they understand intimately how to manage complexity. The Godfrey Pembroke history is underpinned by unparalleled customer service and personal attention to our clients' needs.

Founded in 1981, Godfrey Pembroke is a network of financial advice specialists who have a long history of leading the industry in professionalism, trust and transparency. Our goal has remained the same – to provide high quality financial advice to help create, grow and protect our clients' wealth.

With a focus on the value of relationships and a deep expertise in addressing complex financial needs, Godfrey Pembroke continues to support advisers and advice businesses within their network as they deliver quality advice outcomes for advice clients.

Our financial advice specialists are representatives of Godfrey Pembroke Group Pty Ltd ABN 38 078 629 973 Australian Financial Services Licensee 245451, of Level 2, 26 Brisbane Avenue, Barton ACT 2600.

## Our associations and relationships

. If you would like further information about independence, conflicts or selecting a financial adviser you can visit ASIC's Money Smart website ([www.moneysmart.gov.au/investing/financial-advice](http://www.moneysmart.gov.au/investing/financial-advice)).

Godfrey Pembroke financial advice specialists are required by law to provide financial advice that meets the obligations set out in the Corporations Act to act in the best interests of each client.

## Approved Product List

Our Approved Products List (APL) is a list of what we consider to be sound quality, fully researched products, but doesn't include all possible products available in the market. Only products and services that have been examined by our experienced research consultants are placed on our APL.

When selecting products for you, we are generally limited to the range of investment products and a selection of 12 insurance providers on the APL. These will include Insignia Financial Group products.

Your adviser will first source from the APL before providing any recommendations. They will only recommend a product or service after considering its appropriateness in relation to your individual objectives, financial situation, needs and best interests. Where your strategy requires products and services other than those on the APL to act in your best interests, our research specialists will be consulted and we will seek to find an alternative solution.

## **What we do**

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

- Wealth Accumulation
- Income & Asset Protection
- Tax Strategies
- Superannuation
- 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
- Life Products – Investment Life Insurance
- Life Products – Life Risk Insurance
- Managed Investment Schemes, including Investor Directed Portfolio Services (IDPS)
- Superannuation
- Retirement Savings Accounts
- 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:

Phone: (08) 9225 4485

Office: Suite 6, 2 Richardson Street, WEST PERTH WA 6005

Mail: PO Box 625, WEST PERTH WA 6872

Email: [kasey@passfinancial.com.au](mailto:kasey@passfinancial.com.au)

Website: [www.passfinancial.com.au](http://www.passfinancial.com.au)

# Your confidence in our advice

Your satisfaction is of paramount importance to us and we have procedures in place to resolve any concerns promptly, and fairly.

## Our complaints procedure

If you're unhappy with the advice you receive or other aspects of our service, please follow the steps outlined below.

1. Please let your financial advice specialist know in the first instance. You can also raise your complaint at any time by contacting us at:

Godfrey Pembroke Group Advice Dispute Resolution

Level 2, 26 Brisbane Avenue, Barton ACT 2600

**Phone:** 1300 856 286

**Email:** [service@godfreypembroke.com.au](mailto:service@godfreypembroke.com.au)

2. If your complaint isn't resolved within 30 days or to your satisfaction, then you may refer the matter to the Australian Financial Complaints Authority (AFCA):

**Website:** [www.afca.org.au](http://www.afca.org.au)

**Email:** [info@afca.org.au](mailto:info@afca.org.au)

**Telephone:** 1800 931 678 (free call)

**In writing to:** Australian Financial Complaints Authority Limited

GPO Box 3, Melbourne VIC 3001

AFCA provides fair and independent financial services complaint resolution that's free to consumers.

Time limits may apply to lodge a complaint with AFCA, so you should act promptly. You can check the AFCA website to find out if a time limit applies or when the time limit relevant to your circumstances expires.

Godfrey Pembroke holds professional indemnity insurance that satisfies the requirements of section 912B of the Corporations Act. This insurance also covers the conduct of financial advice specialists who were authorised by us at the time of your complaint but are no longer representatives of Godfrey Pembroke.

# Payments and benefits we receive

At Godfrey Pembroke we believe you deserve transparency and we want to ensure all our recommendations are driven by your needs alone. This is why Godfrey Pembroke has led the industry in implementing a fee-for-advice model (back in 2006), and we will continue to do so. This model allows you to know that you are paying for our advice irrespective of any product you use, clarifies the services you are entitled to, and ensures all recommendations are driven by your needs.

We will agree with you the amount you pay based on:

- a flat dollar fee;
- an hourly rate;
- the amount you invest; or
- a combination of the above.

You can pay in the following ways:

- by direct invoice from us for initial and ongoing advice;
- in some circumstances, where possible, as a fee for advice that will be deducted from your investments as a one-off payment or in instalments;
- where applicable, we may be paid a commission by the financial product issuer(s);
- where applicable, via commission we may receive from a financial product provider when you commence an insurance contract and ongoing commission annually during the life of the insurance contract; or
- a combination of the above.

If you are not already on a fee for advice package, you can move to this payment at any time. Please refer to the **“How we charge for our services”** section of this FSG for further information.

## Other payments we may receive

We will provide you with details of all fees, commissions, or other benefits we may receive when we provide advice to you and, where possible, will give actual dollar amounts. If we cannot provide this accurately, we will provide worked-dollar examples.

Even if you don't receive personal financial advice from us, you can still request the details of any fees, commissions or other benefits we receive in relation to any other financial service we provide you.

## Benefits we may receive

Sometimes in the process of providing advice, we may receive benefits from product providers.

## Conferences

Our financial advice specialists may attend conferences and professional development seminars that have a genuine education or training purpose. Godfrey Pembroke may pay for the costs of travel and accommodation, and events and functions held in conjunction with the conference or seminar.

## Non-monetary benefits

Godfrey Pembroke and your financial advice specialist maintain a public register outlining the alternative forms of remuneration that are payable to, and by us e.g. benefits valued between \$100 and \$300, and those that relate to genuine education or training and technology software or support.

You can view an extract of the register by contacting your financial advice specialist.

## Sponsorship

Godfrey Pembroke receives cash payments from product providers who sponsor and attend training presentations, conferences and/or professional development days. Amounts vary between product providers and we do not directly share in the sponsorship payment; however, we may indirectly benefit as these payments subsidise the costs associated with these training and professional development events.

# Referrals

## **Referrals from a third party**

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.

## **Referrals to a third party**

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.



# How we charge for our services

Fees are calculated based on the level of service needed and the complexity of the advice given, to provide value to you. Fees are calculated based on the level of service needed and the complexity of the advice given, to provide value to you. 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>	Free of charge.
<b>Advice preparation</b>	A written advice preparation fee will apply and will range from \$2,200 to \$4,400 depending on the complexity of the advice required. An indication of the fee to apply to your situation will be provided prior to you committing to a written report.
<b>Implementation</b> (fee for advice)	There will be no additional fee to implement your agreed investment strategy.
<b>Client Service Agreement</b>	<p>You can elect to enter into a 12-month Client Service Agreement (Agreement) as part of your financial planning strategy so you can receive advice services such as a meeting to review your plan. Details of the services will be set out in your Agreement.</p> <p>The fee can range from a minimum of \$1,100 p.a. while the maximum is 1.10% of the value of your portfolio each year. The fee applied will be commensurate to the level of service needed and the complexity of the advice provided and will be outlined and agreed with you in the Agreement.</p> <p>For example, for investments valued at \$500,000 the maximum annual fee would be \$5,500 pa.</p> <p>Borrowed funds – if we recommend you acquire investments using borrowed funds then your annual fee will be a minimum of \$1,100 pa and a maximum of \$5,500 pa.</p>
<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 \$110 and a maximum of \$440 fee may apply.

## 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 \$770 (\$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.

# Privacy Notification

Your personal information will be handled in accordance with our privacy policy, which is located on our website. We will generally collect personal information directly from you. We may collect personal information about you from a third party if we believe you have authorised that third party to provide the information to us.

The main reason we collect, use and/or disclose your personal information, is to provide you with the services that you request. In addition, as a financial service provider, we are obligated to verify your identity and the source of any funds.

We provide financial services under the Australian Financial Services License of Godfrey Pembroke Group Pty Ltd who monitors our compliance with the law and provides us with a range of support services, including the financial planning software we use. As a consequence, Godfrey Pembroke has access to your personal information and may use that information to facilitate the provision of financial services to you and to ensure we are complying with our obligations.

We may also disclose your information to external parties such as your accountant, banks, insurers, and product providers.

Please refer to our Privacy Policy For more information about how we will handle your personal information, including how to access or correct your personal information.

## Complaints

If you have a complaint about a privacy issue, please tell us about it. You can find out how to make a complaint and how we will deal with these complaints, by reading our Privacy Policy (by contacting us) or by referring to the **'Your confidence in our advice'** section of this FSG.

## Further information

If you have any questions or comments about our Privacy Policy and procedures, please contact us by using the contact details set out in the **'Contact us'** section of this FSG.

For more information about your privacy, you can also visit the Office of the Australian Information Commissioner's website at **oaic.gov.au**

## Supplementary Financial Services Guide

### Version 3

Dated 25 March 2024

This Supplementary Financial Services Guide (SFSG) provides additional information to the Financial Services Guide version 6 dated 25 March 2024 (FSG). The SFSG is to be read together with the FSG. Please read and retain both documents for future reference.

Distribution of this SFSG by Kasey Pass, Kevin Pass and Pass Financial Pty Ltd is authorised by Godfrey Pembroke Group Limited (ABN 38 078 629 973 AFSL 245451).

### Managed Discretionary Account Services

Your adviser offers Managed Discretionary Account (**MDA**) Services through an agreement with clients called an MDA Contract.

Before your adviser can provide the MDA Service, they must determine the suitability of the MDA Service for you and provide you with personal advice.

Once you have read your advice document (including the Investment Program) and you wish to proceed with the MDA Service, you will need to acknowledge your authority to proceed with the advice and sign 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 they have 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 does not include custodial or depository services.

You must enter into the MDA Contract provided by your adviser before they 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 (where appropriate), any rights that relate to your portfolio arising from corporate actions and communications about your portfolio assets.

As your investments will be held on an account/platform that uses a custodial arrangement to hold the investments on your behalf, your adviser's ability to participate on your behalf in the corporate action can be limited or may not be able to participate at all.

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.

## Fees and Costs

The table below shows the fees and other costs that you may be charged for using an 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.

<b>Managed Discretionary Account</b>		
<b>Type of fee or cost</b>	<b>Amount</b>	<b>How and when paid</b>
<b>Fees when your money moves in or out of the investments managed via the MDA Service</b>		
<b>Establishment fee</b> The fee to open your investment	Nil	Not applicable
<b>Contribution fee</b> The fee on each amount contributed to your investment	Nil	Not applicable
<b>Withdrawal fee</b> The fee on each amount you take out of your investment	Nil	Not applicable
<b>Exit fee</b> The fee to close your investment	Nil	Not applicable
<b>Management costs</b> The fees and costs for managing your investment		
<b>MDA advice fee</b>	Nil	Not applicable
<b>Service fees<sup>1</sup></b>		
<b>Switching fee</b> The fee for changing investment options	Nil	Not applicable

Note: You may also incur transaction costs, such as brokerage and buy-sell spreads. They will be disclosed to you via continuous electronic access or quarterly reports, where applicable, and within an annual report provided to you each year.

### Example of annual fees and costs for an investment portfolio

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

<b>EXAMPLE — MDA service</b>		<b>BALANCE OF \$50 000 WITH A CONTRIBUTION OF \$5 000 DURING YEAR</b>
<b>Contribution Fees</b>	Nil	For every additional \$5,000 you put in, you will be charged \$0.
<b>PLUS Management Costs</b>	Nil	And, for every \$50,000 managed under the MDA service, you will be charged 0 each year.
<b>EQUALS</b> 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>

*\*Refer to the “Additional Explanation of Fees and Costs” section.*

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.