



Financial Services Guide

Licensee: Evolution Advisory Pty Ltd
(AFSL 412063)

Authorised Representative: Evolution Financial Planning Pty Ltd (ASIC# 287011)
James Cruz (ASIC# 247506)

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providing smart financial advice . . . for life



Why am I receiving this document?

This Financial Services Guide (FSG) will help you decide whether to use the services that we* offer. It contains information about:

- Evolution Advisory
- Evolution Financial Planning and your financial adviser
- The services we offer and their cost
- Any conflicts of interest which may impact the services
- How we are remunerated
- How we deal with complaints if you are not satisfied with our services.

** In this document 'we' refers to Evolution Financial Planning Pty Ltd and Your Financial Adviser.*

Evolution Advisory

Evolution Advisory Pty Ltd holds an Australian Financial Services Licence (412063) which has been issued by the Australian Securities and Investments Commission (ASIC).

Evolution Advisory is required to comply with the obligations of the Corporations Act and the conditions of its licence. This includes the need to have adequate compensation arrangements in place with a Professional Indemnity insurer for the financial services that it and its current and past representatives provide.

Evolution Financial Planning and your financial adviser

Evolution Financial Planning Pty Ltd is a Corporate Authorised Representatives of Evolution Advisory Pty Ltd.

James Cruz will be your financial adviser. He is an Authorised Representatives of Evolution Advisory Pty Ltd.

He acts on behalf of Evolution Advisory Pty Ltd who is responsible for the services provided.

What services do we provide?

We are authorised to provide personal advice and dealing services in the following areas:

- Superannuation and SMSF
- Retirement planning
- Portfolio management including MDA services
- Managed investments
- Securities (direct shares)
- Personal risk insurance
- Margin lending facilities



Your financial planner



JAMES CRUZ

Certified Financial Planner

ASIC No: 247506

James is a representative of Evolution Financial Planning (287011) which is a Corporate Authorised Representative of Evolution Advisory.

James acts on behalf of Evolution Advisory who is responsible for the services that he provides.

James has been a financial planner since 1996 and has had over 20 years' experience in the financial services industry.

He has worked for two major banks and a regional accounting firm where he assisted clients with diverse and unique needs.

In October 2003 James completed his Diploma of Financial Planning through Deakin University.

In April 2005, along with his existing clients and new premises, Evolution Financial Planning was established.

The focus purely on financial planning was a strategic decision to provide a consultative approach to clients with complex yet common problems.

James is a Certified Financial Planner® and a member of the Financial Planning Association, the peak governing body for Financial Planning professionals.



The financial planning process

We recognise that the objectives and personal circumstances of each client are different. What is right for one client may not be right for another.

Where we provide personal advice, we will listen to you to understand your objectives and circumstances. We will also ask questions to make sure we provide advice which is in your best interests.

When we first provide personal advice to you it will be explained thoroughly and documented in a Statement of Advice which you can take away and read.

The Statement of Advice will explain the basis for our advice, the main risks associated with the advice, the cost to you of implementing the advice, the benefits we receive and any conflicts of interest which may influence the advice.

For administration platforms, managed funds and personal risk insurance products we will provide you with a Product Disclosure Statement. This contains information to help you understand the product being recommended.

At all times you are able to contact us and ask questions about our advice and the products we recommend.

You can provide instructions to us in writing, via phone or via email/fax.

We may provide further advice to you to keep your plan up to date for changes in your circumstances, changes in the law and changes in the economy and products.

If we provide further advice it will typically be documented in a Record of Advice which we retain on file. You can request a copy of the RoA document at any time up to 7 years after the advice is provided.

Some of the information (including health information) collected by us may be disclosed to employees or contractors of Evolution Advisory Pty Ltd outside of Australia. You consent to your information being disclosed to a destination outside Australia for this purpose, including but not limited to Cebu, Philippines, and you understand and acknowledge that Australian Privacy Principle 8.1 will not apply to such disclosures of your personal information.



Wholesale clients

In some circumstances, we may provide services to you as a wholesale client. We will seek your consent before providing services to you as a wholesale client as our advice process and the disclosure documents differ to the 'retail' advice process.

Fees

All fees are payable to Evolution Financial Planning Pty Ltd.

Advice preparation fee

The Advice Preparation fee includes all meetings with you, the time we take to determine our advice and the production of the Statement of Advice. The fee is based on the scope and complexity of advice provided to you. We will agree the fee with you before providing you with advice.

Ongoing services fees

Once our initial advice is implemented we will typically provide you with ongoing services. Ongoing fees will depend on what ongoing service we provide to you. They are typically an agreed fixed fee which is paid monthly. Full details will be provided to you in the Statement of Advice.

Commissions

We do not accept any payments from product providers. This includes commissions, incentives or bonuses.

James may participate in training, minor refreshments or entertainment, provided by product providers if they are of less than \$300 value from any single source over the course of a year and are disclosed in our public register.

Adviser remuneration

James Cruz is a director and owner of Evolution Financial Planning and is remunerated through the profits of the practice.

Making a complaint

We endeavour to provide you with the best advice and service at all times.

If an issue has not been resolved to your satisfaction, you can lodge a complaint with the Australian Financial Complaints Authority, or AFCA. AFCA provides fair and independent financial services complaint resolution that is free to consumers.

Website: www.afca.org.au

Email: info@afca.org.au

Telephone: 1800 931 678 (free call)

In writing to: Australian Financial Complaints Authority, GPO Box 3, Melbourne VIC 3001

Your privacy

We are committed to protecting your privacy.

We have a Privacy Policy which sets out how we collect, hold, use and disclose your personal information. It also sets out how you can access the information we hold about you, how to have it corrected and how to complain where you are not satisfied with how we have handled your personal information.

Our Privacy Policy is available on request and on our website.



Managed Discretionary Account Service

Evolution Financial Planning offers a Managed Discretionary Account (MDA) service which enables us to manage your investment portfolio with discretion.

The MDA allows us to quickly and efficiently implement changes to your investment portfolio. Without discretion, there can be delays in making changes to your account as it takes time to communicate our advice to you and seek your authority on each transaction.

The MDA service is provided via a regulated platform account such as BT Panorama. We will be able to make changes to the investments within your account without seeking your prior approval. The MDA service is limited and does not allow us to withdraw funds from your account or to transact on any of your investments held outside your account.

Statement of Advice

We will provide you with a Statement of Advice (SoA) where we recommend the MDA service. The SoA will explain why we believe the MDA service is in your best interests and suitable for you.

MDA Agreement & Investment Program

To enter the MDA service, you must sign an agreement with us. The agreement will include an investment program which will explain how we will manage the investments in your account. It will set out:

- Our investment philosophy including our approach to selecting and managing your investments.
- The investment strategy and risk profile we will use for your account.
- The nature and scope of our discretion under the MDA service including any discretion we must exercise.

- Information about any significant risks associated with the MDA service.

The agreement and investment program will be incorporated into the SoA. They will comply with Division 3 of Part 7.7 and Division 2 of Part 7.7A of the Corporations Act.

BT Panorama

We only provide our MDA service where your portfolio is held via an administration and reporting platform which provides a custodial service, and which is regulated by ASIC. We will typically recommend the BT Panorama platform which is operated by BT Portfolio Services Ltd ABN 73 095 055 208 AFSL 233715.

BT will provide on-line reporting for your account. You will be able to view the transactions that we undertake on your behalf and obtain portfolio valuations.

BT will also appoint an external custodian who will hold the legal title for your investments. Details of the external custodian will be set out in the BT Panorama Product Disclosure Statement that we will provide to you. We do not provide custodial services and we will not hold the legal title for your investments.

You will need to complete an account opening application with BT and provide us with a BT Panorama Authority to Operate to use our MDA service.

Tax outcomes

Changes we make to the investments in your account may result in a capital gain which may increase your taxable income. We will consider your tax position when managing your investments.



Investment rights

We will have the authority to make decisions on your investments in relation to corporate actions such as share buy backs, rights issues and share splits.

MDA service risk

There are additional risks with the MDA service as we will be acting with discretion:

- You will not have awareness of the investment decisions we are considering
- You will only be aware of the decisions we make after a transaction has been completed
- You will be reliant on our operational capability and professional integrity to manage your investments
- Our acts are binding on you provided we act within the terms of the MDA agreement and investment program.

Warning

You will be required to provide us with full and accurate information relating to your relevant personal circumstances prior to the commencement of the MDA service. You will also need to notify us of changes in your circumstances. If you do not provide this information, we will not be able to properly advise you which may mean you have an MDA service and investment program which is not suitable for you.

Other important information

We will only recommend an MDA service where it is in your best interests and is suitable for you. Once in place, we will only make changes to your investments which are consistent with our understanding of your financial needs, objectives and circumstances. We will also comply at all times with the MDA agreement and the investment program that we agree with you.

We will meet with you at least every 12 months to consider whether the MDA service and the investment program continue to be suitable for you.

We will contact you for instructions where action is required on your regulated platform account which is outside our authority.

You can cancel the MDA Service at any time by notifying us in writing.



MDA fees and costs

Consumer advisory warning

Did you know?

Small differences in both investment performance and 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 the features of the MDA service justify the fees and costs.

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 managed investment fee calculators to help you check out different fee options.

The following tables show the fees and other costs you may be charged for using our MDA service. All fees and costs include GST less available reduced input tax credits.

You should read all the information about fees and costs because it is important to understand their impact on your account and investments.

Fees when your money moves in and out of the MDA account		
Type of fee or cost	Amount	How and when paid
Establishment fee The fee to open your investment	\$0	Not applicable
Contribution fee the fee on each amount contributed to your investment	\$0	Not applicable
Withdrawal fee The fee on each amount you take out of your investment	\$0	Not applicable
Exit fee The fee to close your investment	\$0	Not applicable

Fees when you change investments within your MDA account		
Type of fee or cost	Amount	How and when paid
Transaction fees (fund managers) Fund managers have a different unit price for the purchase and sale of an investment	This fee differs between fund managers. Generally, between 0.2% and 0.4% of the investment.	The fee is built into the unit price of the investment and is incurred at the time of each trade.



Annual advice and management costs for your MDA account		
Type of fee or cost	Amount	How and when paid
MDA service advice fee The fee for our advice services	Nil. There is no additional advice fee associated with the MDA service.	
BT Panorama admin fee The fee charged by BT for their administration services	\$540 (Administration fee- account based). +0.15% (Administration fee – asset based on an account value from zero to \$1m.	The fee is deducted on a pro-rata basis from your BT Panorama account.
BT Panorama expense recovery fee The fee charged by BT for recovery of their expenses	Up to \$80 pa per Panorama Investments account. The exact amount deducted from your account will be confirmed in your annual statement.	The fee is deducted from your BT Panorama account at the time the expense is applied.
Fund manager fees The fee charged by fund managers to manage each investment	These fees differ between fund managers and are generally, between 0.2% and 1.6% of the investment.	The fee is built into the unit price of the investment and is deducted each month.

Example of annual fees and costs

This table gives an example of how the fees and costs for your MDA account can affect your investment over a one-year period.

Type of fee or cost	Amount	Balance of \$50,000 with a contribution of \$5,000 at the end of the year
Contribution fee	Nil	For every \$5,000 you invest, you will be charged \$0 .
Management costs		
(Administration fee- account based)	\$540	
Plus Administration fee – asset based)	0.15% up to \$1m with capped fee of \$1500.00 p.a.	For the administration and reporting services you will be charged \$75 per year.
And Fund manager fees	Up to 1.60%	For the funds management you will be charged \$800 per year.
		For every \$50,000 you have invested, you will be charged total management costs of \$1,415 per year.

This example assumes \$50,000 is invested for the entire year, that \$5,000 is invested during the course of the year and the value of the account is constant over the year.

Fund manager fees vary between investments and your actual costs will depend on the actual managed funds used in your account. As we will act with discretion, you will not be aware of the managed funds or costs prior to their selection. The fees shown above are maximum fund manager fees for our MDA service.

The example does not include any transaction fees. These will be incurred where we make the initial investments for your account and then for any investment changes made during the course of the year. These are not known in advance and their total value will depend on the number and type of transactions undertaken during the year.

You should note that all fees and costs may change between the time when you read this Financial Services Guide and the time you enter the MDA service. They may also change once you have entered the MDA service.



join the evolution



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