

# Financial Services Guide – Part 2

## Representative Profile

Preparation date - 6 September 2016



P R A E S C I U S  
F I N A N C I A L C O N S U L T A N T S

This document forms part of, and should be read together with, the Financial Services Guide – part 1, preparation date 6 September 2016, and is designed to clarify who we are, what we do and aims to help you decide whether to use our services.

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### Who we are

Your financial advice specialists are authorised representatives of Praescius Financial Holdings Pty Ltd, ABN 14 610 960 980 AFSL No. 486455 (“Praescius Financial”):

Gareth Jakeman  
Authorised Representative No. 241986

Matthew Harrington  
Authorised Representative No. 313334

Eleni Michael  
Authorised Representative No. 292519

John Kosmidis  
Authorised Representative No. 302999

Michael Toohey  
Authorised Representative No. 1007845

Helen Joyce  
Authorised Representative No. 311947

Jeff Heap  
Authorised Representative No. 243660

Ruth Gerke  
Authorised Representative No. 254403

Julian Coleman  
Authorised Representative No. 412674

Sigmone Bennion  
Authorised Representative No. 443087

The financial services that the above financial advice specialists offer are provided by the following Corporate Authorised Representatives of Praescius Financial:

- )] Praescius Financial Consultants NT Pty Ltd ABN 92 050 221 755. Authorised Representative (AR) No. 243121
- )] Praescius Financial Consultants HB Pty Ltd ABN 65 084 755 671. Authorised Representative (AR) No. 430612
- )] Praescius Financial Consultants NSW Pty Ltd ABN 62 127 310 525. Authorised Representative (AR) No. 318593
- )] Praescius Financial Brisbane Pty Ltd ABN 25 142 099 867. Authorised Representative (AR) No. 1233359

Each authorised representative is authorised to provide all the services that Praescius Financial is authorised to provide under its AFS licence.

Throughout this FSG, Praescius Financial is referred to as “we”, “us”, “our” or any variations. The term “adviser” refers to Praescius Financial’s authorised representatives.

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### Our Advisers

**Gareth Jakeman** is the Managing Director of Praescius Financial Group and has a Bachelor of Commerce Degree in Finance (Merit) and a Diploma of Financial Planning. He is also a Graduate of the Australian Institute of Company Directors. He has over 17 years' experience in both Chartered Accounting and the Financial Services industry, including over 16 years with Godfrey Pembroke Limited.

Gareth is also a Director of Best Practice Commercial & Accounting Services Pty Ltd and the Simply Lending group of companies.

**Matthew Harrington** is an Executive Director of Praescius Financial Group and has been working in the financial services industry since 2005 and as a Financial Planner since 2007. Matthew is actively involved in planning strategies, advice and portfolio services to clients.

Matthew is a Director of Best Practice Commercial & Accounting Services which provides accounting, taxation and business services to clients from around Australia, including clients of Praescius Financial. Matthew is a member of the Financial Planning Association of Australia and holds an Advanced Diploma in Financial Services (Financial Planning).

**Eleni Michael** is a Director of the Praescius Financial Brisbane office. She has been providing financial advice to her clients since 2001. Eleni is a Certified Financial Planner, which is currently the highest qualification that can be achieved in the industry. Eleni's other qualifications include a Graduate Diploma in Financial Planning, specialist studies in Wealth Protection, and Self-Managed Superannuation Funds, as well as a Bachelor of Business (Management) from Queensland University of Technology. Eleni is excited about building a business that is honest, transparent and achieves results for her clients. She brings a vast knowledge to the Praescius Financial team and provides a high quality of advice and service to her clients.

**John Kosmidis** has over 14 years' experience in financial services with some of Australia's largest financial institutions. With a degree in Commerce from Macquarie University, he is now working towards a Masters in Applied Finance. Furthermore, John is a Certified Financial Planner and a member of the Financial Planning Association of Australia. John's strength is his ability to translate complex strategies into simple everyday language and services clients in NSW and Hervey Bay.

**Michael Toohey** has worked in the financial services industry since 1993 and has a wealth of experience with families, small to medium business owners and farmers in QLD and NSW. Michael has completed a Bachelor of Business and an Advanced Diploma of Financial Services.

Michael has been a Financial Consultant since 2000 and enjoys the challenges of the financial services industry and providing common sense solutions for his clients, mainly in Hervey Bay.

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### Our Advisers continued

**Helen Joyce** has a Diploma in Financial Services (Financial Planning) and has lived in the Northern Territory for over 20 years. With over 22 years of experience within the financial planning industry and 15 years of those spent specialising in the field of Wealth Protection, both for individuals, family succession and business owners, she brings a vast amount of knowledge to the Praescius Financial team.

**Jeff Heap** has lived in the Northern Territory for over 10 years and is a Certified Financial Planner. He has over 40 years' experience within the Financial Services industry. Jeff is a Justice of the Peace (JP) in the Northern Territory.

**Ruth Gerke** has recently relocated to NSW after living in the Northern Territory and Townsville for over 25 years. Ruth provides advice to clients both in the NT and around the country. She has a Diploma in Financial Planning and more than 25 years' experience within the Financial Services industry, with particular strength around NT Government Super and the Commonwealth Super Scheme.

**Julian Coleman** has a Diploma in Financial Services (Financial Planning) with accreditation in Self-Managed Superannuation Funds. With years of extensive experience within the financial planning industry and related industries, he brings with him experience for clients in areas of Wealth Accumulation, Wealth Protection, and Self-Managed Superannuation Funds. He brings a vast amount of knowledge to the Praescius Financial team and his clients.

Julian specialises in partnering with his clients to achieve their wealth creation and wealth protection goals.

**Sigmone Bennion** is a Certified Financial Planner and a member of the Financial Planning Association of Australia. Sigmone has a Diploma of Financial Planning, along with a Bachelor Commerce (Eco & Fin). With nearly 20 years in the Industry, Sigmone brings with her a vast wealth of knowledge across all areas of Financial Planning with particular strength in Superannuation and Retirement.

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### What we do

We are authorised by Praescius Financial to provide financial advice in relation to:

- ) Wealth Accumulation
- ) Income and Asset Protection
- ) Tax Strategies
- ) Superannuation
- ) Retirement and 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
- ) 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 235, Bulimba QLD 4171  
**Phone:** 08 8941 2916 (NT), 02 9884 9990 (NSW), 07 4124 2499 (Hervey Bay), 07 3999 9015 (Brisbane)  
**Email:** [clientservices@pfinancial.com.au](mailto:clientservices@pfinancial.com.au)  
**Web:** [www.pfinancial.com.au](http://www.pfinancial.com.au)

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### Managed Discretionary Account Services

Praescius Financial offers Managed Discretionary Account Services through an agreement with clients called a Managed Discretionary Account (**MDA**) Contract.

By accepting the terms of an 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 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:

- J 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.
- J 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 accept the terms of an MDA Contact 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.

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### Managed Discretionary Account Services continued

You must accept the terms of the MDA Contract provided by your adviser before he/she can provide you with MDA services. As part of your MDA Contract, you will be provided with an Investment Program 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 required to exercise under the MDA Contract and any 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:
  - o May not be suitable to you if you have provided limited or inaccurate information relating to your relevant personal circumstances;
  - o 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.

The suitability of the Investment Program that forms part of your MDA Contract to your relevant personal circumstances will be reviewed by your adviser at least once every thirteen (13) months unless terminated earlier by you.

This FSG complies with the relevant requirements of ASIC Class Order 04/194 'Managed discretionary accounts'.

Praescius Financial and its authorised representatives listed are not authorised to provide financial product advice or deal in the following financial products:

- )] General Insurance Products

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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>	First 30 minutes at our expense, thereafter, charged at \$165 per hour
<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 \$550 while the maximum fee is \$50,000.</p> <p>For example, complex advice with 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>	<p>If you elect to pay us a fee for implementation of advice the following fees will apply per entity. The fees will depend on the nature and the complexity of the advice:</p> <p>Implementation of Advice is at a minimum of \$550 per entity and a maximum of \$20,000 per entity.</p> <p>Borrowed funds – if we recommend you acquire investments using borrowed funds then your implementation fee will be a minimum of \$550 and a maximum of \$20,000.</p>
<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. The minimum fee is \$2,200 while the maximum is 2.5% of the value of your portfolio each year. For example, for investments valued at \$200,000 the maximum ongoing fee would be \$5,000 pa.</p> <p>The ongoing advice fee 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 or multiple investment entities. The frequency of the review will also impact on the fee charged.</p> <p>Borrowed funds – if we recommend you acquire investments using borrowed funds then your ongoing fee will be a minimum of \$2,200 and a maximum of \$50,000 pa.</p>
<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, a minimum charge of \$1,650 will 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 \$330 and a maximum of \$2,200 fee may apply.
<b>Insurance products</b>	<p>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.</p> <p>Commissions are paid to us by the product provider and are not an additional cost to you.</p>
<b>Pre-existing arrangements</b>	For existing clients already in an established commission arrangement, we may receive commission on investment products or margin lending products held. For investment 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.



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### Benefits we may receive

During the course of our financial services relationship with you, we may refer you to Best Practice Commercial & Accounting services for accounting, tax or audit work, or Yellow Brick Road Palmerston for lending advice. It is important to us that you understand the nature of our relationship with these businesses.

#### Yellow Brick Road

Praescius Financial and Yellow Brick Wealth Management Limited (“Yellow Brick Road”) operate in partnership to provide holistic financial advice and lending services to our clients.

During the course of acting as your Financial Adviser, we may refer you to Yellow Brick Road for a lending product. This is simply a referral, is not mandatory for you to accept and does not affect our services to you as your financial adviser.

It is important to us you understand that Gareth Jakeman, Matthew Harrington, Eleni Michael and John Kosmidis have a shareholding in the Simply Lending group of companies (the holding companies for Yellow Brick Road Narellan, Yellow Brick Road Hervey Bay and Yellow Brick Road Palmerston) and as such may receive a commercial benefit by referring you to Yellow Brick Road for lending services.

Any fees/commissions payable to Yellow Brick Road will be disclosed to you by your lender during the advice or application process. If you have any questions about this relationship in particular, please contact us via the usual methods.

#### Best Practice Commercial & Accounting Services Hawketts Accounting

During the course of acting as your Financial Adviser, we may refer you to Best Practice or Hawketts Accounting for accounting, tax or audit work.

It is important to us you understand that entities associated with Gareth Jakeman and Matthew Harrington (Principals of Praescius) have a partial shareholding and Directorship with Best Practice and Hawketts, and as such may receive a commercial benefit by referring you to Best Practice for these services.

There are no referral fees paid between Praescius Financial and Best Practice, or the advisers that operate as a part of these businesses. Any referrals we provide to Best Practice are not mandatory for you to accept and will not affect our services to you as your Financial Adviser.

If you have been referred by Best Practice to Praescius Financial, the Directors of Best Practice and Praescius Financial may receive commercial benefit as a result of this. All fees & commissions received by Praescius Financial will be disclosed to you should formal advice be provided. Please contact us if you have any questions about this relationship.

*\*Please note that these Accounting/Lending businesses maintain separate memberships/licensing applicable to their own industry guidelines. Praescius Financial as a financial services licensee is not responsible for the advice or products given via these businesses.*