



Financial Services Guide

Licensee: Evolution Financial Pty Ltd | AFSL 499987
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Office Contact Details

Address: Level 1, Harvey Norman Complex, 111 Spence Street, Cairns QLD 4870

Postal Address: PO Box 46, Westcourt Qld, 4870

Phone: 07 4041 6299

Email: admin@evolutioncairns.com.au

Email: ian@evolutioncairns.com.au

Email: zak@evolutioncairns.com.au

AFSL Contact Details

Address: Level 3, 201 Sturt Street, Townsville Qld, 4810

Postal Address: PO Box 1432, Townsville City Qld, 4810

Phone: 07 4772 1000

Email: brad@evolutiontownsville.com.au

Website: www.evolutionqueensland.com.au

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:

- The services we offer and their cost
- Evolution Financial, Ian Byrne and Zakari Glatthor
- How we are remunerated
- Any conflicts of interest which may impact our services
- How we deal with complaints if you are not satisfied with our services.

Not Independent

We are not independent, impartial or unbiased because we operate an MDA service which we may recommend to our clients and we receive commissions from product providers on risk insurance policies.

Information About Us

Evolution Financial Pty Ltd holds an Australian Financial Services Licence (499987) which has been issued by the Australian Securities and Investments Commission (ASIC).

Evolution Financial Pty Ltd (trading as Evolution Financial) 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 provides.

Your Financial Planners



Ian Byrne

Certified Financial Planner

ASIC No: 263857

Ian has been a financial planner since 1995 and has held positions in both national and local planning organisations as a Director and Senior Financial Planner, including a National Accounting chain that locally boasted 10 Accounting Directors and 80 staff.

In the past he has been a board member of a national advisory board for the Australian financial planning component of an international accounting affiliation and a board member of a statewide AFSL.

Ian's particular expertise lies in the areas of retired and pre-retiree clients, self-managed super funds, strategies for high net worth clients, as well as asset accumulation and tax efficiencies for high income earners such as successful business owners or professionals in the areas of Accounting, Medicine, Law and significant Commerce.

Ian graduated from Deakin University with the 'Top Graduate for Queensland' honours taking out the BT Prize, and was fourth overall in Australia. Ian holds the Certified Financial Planner designation by the Financial Planning Association of Australia, which is their highest qualification.



Zakari Glatthor

Certified Financial Planner

ASIC No: 1003163

Zak has worked in the Financial Services industry since February 2013 and has held positions in both Retail Banking and Financial Planning roles across this time, with experience as a Financial Adviser from October 2014.

Zak clients are predominantly young professionals, young and established couples and families, empty nesters approaching retirement and established retirees.

He is experienced in the areas of risk management, wealth accumulation, pre-retirement and retirement strategies. With a focus on a holistic outcome, his financial planning advice incorporates a wide range of services for clients incorporating strategies to reduce tax and build wealth, investment advice, superannuation and retirement strategies including estate planning.

Zak's qualifications include a Masters of Financial Planning from Kaplan and a Graduate Certificate in Self-Managed Super Funds. Zak holds the Certified Financial Planner designation by the Financial Planning Association of Australia, which is their highest qualification.



What Services Do We Provide?

We are authorised to provide personal advice and dealing services for the following financial products:

- Superannuation and SMSF
- Personal risk insurance
- Managed funds
- Shares
- Deposit products
- Margin Lending facilities

The Financial Advice 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 that we recommend.

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

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 (RoA) 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.

Fees

All fees are payable to Evolution Financial.

Plan Preparation Fee

The Plan Preparation fee includes all meetings with you, the time we take to determine our advice and the production of the SoA.

The Plan Preparation 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.

Plan Implementation Fee

If you decide to proceed with our advice we may charge a fee for the time we spend assisting you with implementation. We will let you know what the fee will be in the SoA.

Annual Services Fees

Our annual service fees depend on the ongoing service that we provide to you. They are paid monthly and are either based on the value of your portfolio or an agreed flat fee.

The services and fees will be set out in an annual engagement that we agree with you each 12 months.



Commissions

We receive a one-off upfront commission when you take out an insurance policy that we have recommended. We also receive a monthly commission payment for as long as you continue to hold the policy. The commission will vary depending on the recommended product and will be documented in the SoA or RoA.

Other Benefits

We may receive other benefits from product providers such as training, meals and entertainment. Details of any benefits received above \$100 will be maintained on a register which is available to you on request.

Adviser Remuneration

Ian Byrne is a co-owner of Evolution Financial and Zakari Glatthor an employee of Evolution Financial.

Ian is remunerated by salary and a share of the profits that the practice makes.

Zakari is remunerated by salary and a yearly performance bonus based on a number of factors.

Conflicts of Interest

Your financial adviser may recommend investments in shares that they hold or may hold in the future. You will be advised where a conflict of interest may exist and how the conflict will be managed.

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.

Making a Complaint

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

If you are not satisfied with our services then we encourage you to contact us. Please call us or put your complaint in writing to our office.

If you are not satisfied with our response you can refer it to the Australian Financial Complaints Authority (AFCA). You can contact AFCA on 1800 931 678. This fair and independent service is provided to you free of charge.

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

We offer 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 and administered by BT Portfolio Services Ltd (ABN 73 095 055 208 AFSL 233715).

BT Panorama 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 Panorama 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.

We have used BT for many years and are satisfied that they provide the required administration, custodial and reporting functionality to support the MDA service. The majority of our clients use the BT Panorama platform and we continue to monitor their performance on a daily basis. You will need to complete an account opening application with BT Panorama 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 provide you with an advice document to confirm our advice.

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 pages 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 (BT Panorama) The fee charged by BT Panorama when you change or switch a managed fund investment	\$0 per switch	Not applicable
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
Transaction fees (Shares) The fee charged by BT Panorama on the purchase and sale of shares	0.11% of investment amount Minimum \$12.50 per trade	The fee is deducted from your BT Panorama account 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. Our only fees are as set out earlier in this FSG.	
BT Panorama Admin Fee The fee charged by BT Panorama for their administration services	Account based fee - \$540 per year. Asset based fee – 0.15% on 1 st \$1,000,000. 0% over \$1mil.	The fee is apportioned and deducted from your BT Panorama account each month
BT Panorama Expense Recovery Fee The fee charged by BT Panorama to recover costs for compliance with legislative requirements and paying compulsory government levies	\$80 per annum of Investment account or \$95 + 0.3% of balance up to maximum \$300 per annum of Super account. (Exact amount is confirmed in your BT Panorama annual statement)	The fee is deducted from your BT Panorama account each year
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 can affect your investment over a one-year period.

Annual Advice and Management costs for your MDA account		
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		
Plus BT Panorama Admin Fee	\$540 + 0.15%	For the administration and reporting services you will be charged \$615 per year
And BT Panorama Expense Recovery Fee	\$80	For expense recovery on compliance with legislative requirements and paying compulsory government levies you will be charged \$80 per year.
Equals platform cost of BT Panorama		If you had an investment of \$50,000 at the beginning of the year and you invest an additional \$5,000 during that year, you would be charged total fees of \$695 .
And Fund Manager Fees	Up to 1.60%	For the funds management you will be charged up to \$800 per year
Equals total cost of BT Panorama		If you had an investment of \$50,000 at the beginning of the year and you invest an additional \$5,000 during that year, you would be charged total fees of \$1,495 plus transaction costs.

This example assumes \$50,000 is invested for the entire year, the value of the account is constant over the year and that the additional \$5,000 is invested at the end of the year. Therefore, fees and costs are calculated using the \$50,000 balance only.

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.

