



# Financial Services Guide

## JANUARY 2019

### The financial services offered in this Guide are provided by:

M D Phillips & Associates Pty Ltd trading as Phillips Family Office  
ABN 43 001 823 678  
Street: Suite 604, Level 6, 53 Walker Street, North Sydney NSW 2060  
Postal: PO Box 1889, North Sydney NSW 2059  
Tel: 02 9955 7131  
Fax: 02 9955 7108  
Email: [info@phillipsfinancial.com.au](mailto:info@phillipsfinancial.com.au)  
Australian Financial Services Licence No. 314113

M D Phillips & Associates Pty Ltd trading as Phillips Family Office (“we”, “us”, “our” or “Phillips Family Office”) wants you to understand the financial services we offer by providing you with information to assist you in deciding whether or not to use any of the services offered in this Financial Services Guide (“Guide”, “FSG”)

The Corporations Act requires us to provide you with this FSG before we provide financial services and we encourage you to read this document carefully. It contains information about the financial services we may offer you, remuneration paid in relation to the services offered, any potential conflict of interest we may have, and information on what to do if you have a concern or complaint about our services.

This Guide is in two parts. This document is Part 1 and a separate document providing information on your adviser is Part 2. The distribution of this Financial Services Guide has been approved by Phillips Family Office.

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Phone: 02 9955 7131 | Fax: 02 9955 7108  
Email: [info@phillipsfinancial.com.au](mailto:info@phillipsfinancial.com.au) | Web: [www.phillipsfamilyoffice.com.au](http://www.phillipsfamilyoffice.com.au)  
Suite 604, Level 6, 53 Walker Street North Sydney NSW 2060  
PO Box 1889 North Sydney NSW 2059

M D Phillips & Associates Pty Ltd trading as Phillips Family Office  
ABN 43 001 823 678  
Australian Financial Services Licence No. 223328

## **Who are we?**

Phillips Family Office is the business trading name of M D Phillips & Associates Pty Ltd. M D Phillips & Associates Pty Ltd was established in 1979 and has been operating for 30 years, providing strategic financial guidance and investment management services to help our clients manage their financial affairs and investments, and achieve their long term wealth goals.

M D Phillips and Associates Pty Ltd holds Australian Financial Services Licence (AFSL) No: 223328 issued by the Australian Securities and Investments Commission. We are a corporate member of the Mortgage and Finance Association of Australia (MFAA) and The Tax Practitioners Board (TPB).

M D Phillips & Associates Pty Ltd is a privately owned company. It is not owned by any bank, Life Insurance Company or other financial institution. Michael Phillips holds shares in MD Phillips & Associates Pty Ltd and is the sole director.

## **Who is my Adviser?**

Your adviser is a Representative of Phillips Family Office. They will Act on behalf of Phillips Family Office when making recommendations. Phillips Family Office are responsible for the financial services they offer and the distribution of this FSG. Our advisers are competent professionals who will work with you to provide advice and services that are appropriate for your needs and circumstances as they are described to us.

## **Best Interests Duty**

To meet the best interest's duties, we must meet all of the related obligations, which are:

- Act in the best interests of the client and satisfy the safe harbour test;
- Provide appropriate advice;
- Warn the client of incomplete and inaccurate information; and
- Prioritise the interests of the client to comply with the 'conflicts priority rule'.

## **Professional Indemnity Insurance**

Phillips Family Office Representatives and Employees are indemnified under Professional Indemnity Insurance. This insurance will also cover claims in relation to the conduct of Representatives and Employees who no longer work for Phillips Family Office (but did at the time of the relevant conduct).

## **Other Documents You May Receive**

You should also be aware that you are entitled to receive a Statement of Advice when we provide you with personal advice for financial service, (advice that takes into account your objectives, financial situation and needs). The Statement of Advice will contain the advice, the basis on which it is given and information about fees, commissions and associations which may have influenced the provision of the advice. If our Representative provides further advice to you and your personal circumstances have not significantly changed, and that further advice is related to the advice we provided to you in a previous Statement of Advice and we do not give that further advice to you in writing you may request a copy of the record of that further advice at any time up to 7 years from the date our Representative gave the further advice to you.

You can request the record of the advice by contacting the Representative or us in writing or by telephone or by email.

In the event we make a recommendation to acquire a particular financial product (other than securities), we must also provide you with a Product Disclosure Statement containing information about the particular product, which will enable you to make an informed decision in relation to the acquisition of that product.

### **What kinds of financial services are we authorised to provide you and what kinds of Financial Products do those services relate to?**

Our AFS Licence authorises us to provide financial product advice and deal in financial products. The financial services we provide relate to the following financial products:

- Deposit Products
- Debentures, Stocks and Bonds
- Life Insurance – Investment
- Life Insurance – Risk
- Managed Investment Schemes
- Retirement Savings Accounts
- Securities
- Margin Lending
- Superannuation

The FSG Part 2 - Adviser Profile sets out which of these areas your Representative is authorised to provide advice to you as a Representative of Phillips Family Office.

We only recommend an investment to you after considering its suitability for your individual investment objectives, financial situation and needs. If you do not wish to receive our advice, we may deal on your behalf by carrying out your instructions. If you do not obtain advice, you face the risk that the financial product/s you select will not fully take into account your objectives, financial situation or needs. Should you be uncertain about your existing portfolio position, please discuss it with your Representative.

Phillips Family Office has an extensive Approved Product List. This means we are not limited to recommending products from a particular organisation when choosing an appropriate product to suit your objectives, financial situation and needs. The recommendations will be made after conducting an investigation into the financial products and may require us to consider a product that is not on the Approved Product List. All products on the Approved Product List are supported by research from external and/or internal research experts. We conduct due diligence on external research report providers that provide us with research. Should we consider it in your interests to use a non-Approved product, we follow Phillips Family Office review and approval process to ensure the product is appropriate for your circumstances.

### **Do we have any relationships or associations with Financial Product issuers?**

M D Phillips & Associates Pty Ltd owns 1 share in Personal Choice Portfolio Services Pty Ltd ABN 14 104 241 072 which is the licensee and promoter of the Personal Choice eWRAP Investment/Super/Pension Account.

As a shareholder of PCPS, M D Phillips & Associates Pty Ltd may receive other benefits such as dividends and bonuses from PCPS in the future. Any payments to M D Phillips & Associates Pty Ltd by or on behalf of PCPS are not tied to volume targets, and there are no restrictions placed on recommendations made by M D Phillips & Associates Pty Ltd or its Advisers. Most importantly, any such payments do not change the fee structure, and are not an additional cost to our clients.

Accounts in these products that were/are established post 2015 do not pay any fee to M D Phillips & Associates Pty Ltd, instead the product provider offers the client a discounted product fee.

Some product providers, who had an existing arrangement with Phillips Family Office prior to 1 July 2013, pay a licensee commission to M D Phillips & Associates Pty Ltd based on the total funds invested in their products, insurance premiums paid for their insurance product, or amount of margin loans made by M D Phillips & Associates Pty Ltd's Authorised Representatives. Product fees are generally calculated as a percentage of the amounts or value of your investment in these products.

### **Do we have any Related Parties?**

From time to time, we may refer you to other professional service providers, and, we may refer you to related entities for services that encompass accounting and taxation and mortgage broking (credit assistance) facilities.

M D Phillips and Associates Pty Ltd is the trader of the following registered businesses:

Estate Planning Strategists  
Accounting Administration Custodial Services

You are under NO OBLIGATION to use the services of these related entities.

### **Will anyone be paid for referring me to you?**

If you have been referred to Phillips Family Office or a Representative of Phillips Family Office, and we pay a fee for that referral, we will tell you in the Statement of Advice the total amount of any fee to be paid.

### **How will I pay for the services provided?**

Our services are, for the most part, calculated and charged on a 'fee for service' basis. We do not have set fees for individual tasks as each client has different needs for our services, however we do provide an estimated fee (or fee range) and minimum fee for specific tasks. If our task instructions become considerably extended, or we subsequently receive a considerable amount of new or additional financial information from you, during the course of providing services to you, we will give you a supplementary estimate of our additional fees for providing our services to you.

We will give you detailed information about all fees and charges applicable to our financial planning advice and recommendations in your Statement of Advice. Your Adviser will discuss the precise calculation of these fees with you.

## Fees and Charges

### Introductory Interview

Our initial interview with any new client is always complimentary and obligation-free.

### Lifestyle Planning Process – Analysis & Preparation of your Long Term Financial Plan

We charge a one-off fee ranging between \$1,650 to \$13,200 p.a (inclusive of GST) for our lifestyle planning process, depending on the complexity of your financial affairs and the time involved in dealing with your financial affairs and implementing your portfolio.

### On-going portfolio management and administration services

A fixed (flat) amount per month (up to \$1,320 per month per portfolio);  
With your consent, these fees can be debited from your portfolio account.

### Additional Management Services (GST Inclusive)

Strategy Paper.	\$1,320 - \$3,300
Centrelink Assistance.	\$550 - \$1,320
Review Appointment.	\$550 - \$1,320
Redemption of an investment.	\$550 - \$1,320
Switching an investment or insurance policy.	\$550 - \$1,320
Transfer – Superannuation to Pension.	\$3,300 - \$5,500
Reconstruction of Insurance Policy	\$550 - \$990
Shares Transaction	\$132 - \$165
Managed Funds Transaction	\$132 - \$165

## D. Consulting Services & Our Consulting Rates

Senior Financial Planner (CFP, Authorised Representative)	\$550 per hour
Financial Planner (Authorised Representative)	\$440 per hour
Research & Investment Analysis (Authorised Representative)	\$330 per hour
Strategy Implementation/Administration	\$220 per hour

### Payment of Fees

We will issue a single itemised tax invoice to you for our lifestyle planning services, and monthly itemised invoices as required for our additional consulting services. Once fees are invoiced they are payable by cheque within 7 days, however, if you prefer, we can make arrangements for these fees to be debited from your portfolio account. Our retainer fees for our wealth care programs are debited each month from your portfolio account. We do not accept cash payments.

We do not currently charge interest penalties for overdue fees however we reserve the right to charge penalties on excessively overdue fees at the rate of 10% pa from the due date. You are responsible to pay any outstanding accounts.

All fees and charges for our services are inclusive of GST, unless specified otherwise. GST charges will be added in all issued tax invoices.

Your Statement of Advice includes a list of the professional services provided to you and the name of the Advisers who provided those services to you.

All fees for financial services provided to you by M D Phillips & Associates Pty Ltd must be paid directly to M D Phillips & Associates Pty Ltd, as the holder of Australian Financial Services Licensee No. 223328.

### **Remuneration**

Our employee representatives are paid a salary by us. They do not receive a share of fees that you may pay or commissions that we may receive from product providers.

### **What should I know about the risks of the financial products or strategies you recommend to me?**

We will explain to you any significant risks of financial products and strategies which we recommend to you. If we do not do so, you should ask us to explain those risks to you.

### **What information do you maintain in my file and can I examine my file?**

We maintain a record of your personal profile including details of your objectives, financial situation and needs. We also maintain records of any recommendations made to you.

We handle your information in accordance with our Privacy Policy. You will receive a copy of our Privacy Policy together with this FSG.

You are entitled to obtain access to the information which we hold about you at any time by contacting the Privacy Manager at Moneywise Securities.

### **Can I provide you with instructions and tell you how I wish to instruct you to buy or sell my financial products?**

Generally clients instruct us in person and we rely on your signature to verify your instructions. However we can make special arrangements, where we can receive your instructions by telephone, fax, or other electronic means.

You must take reasonable care and responsibility for accuracy, should you choose to authorise us via email to act on any instructions. If your instructions are incomplete or unclear we are under no obligation to act on such instructions. We will not be liable for any cost, expenses, loss or damages you may suffer or incur in conjunction with any action taken or omitted by us in following any email instruction. When we communicate with you via email our messages are not encrypted and may potentially be accessed by unauthorised persons or organisations.

## **What should I do if I have a complaint?**

Contact your Representative and tell him/her about your complaint. If your complaint is not satisfactorily resolved within 3 days, please contact our Complaints Manager, either in writing, by phone or email:

The Managing Director  
Phillips Family Office  
P.O. Box 1889, North Sydney NSW 2059  
Telephone: (02) 9955 7131  
Facsimile: (02) 9955 7108  
Email: [info@phillipsfinancial.com.au](mailto:info@phillipsfinancial.com.au)

We will try to resolve your complaint as quickly and fairly as possible.

Phillips will investigate your complaint and will make every effort to ensure you receive a fair and prompt reply. M D Phillips and Associates Pty Ltd will endeavour to resolve your complaint within 5 business days and will keep you informed about what is happening with your complaint if it cannot be resolved within this time.

Australian Financial Complaints Authority Limited (AFCA): If your complaint is not resolved to your satisfaction and it meets AFCA jurisdiction rules, you can take your complaint to AFCA. You can contact AFCA on 1800 931 678 or by writing to AFCA by email to [info@afca.org.au](mailto:info@afca.org.au) or post to GPO Box 3, Melbourne Victoria 3001 or through their website at [www.afca.org.au](http://www.afca.org.au). M D Phillips & Associates Ltd is a member of AFCA.

We maintain a record of your personal profile over time, including information which personally identifies you, details of your investment objectives, financial situation and needs, as well as records of any recommendations made and discussions of significance we may have with you. We aim to protect and maintain the privacy, accuracy and security of the personal and financial information you give us. Keeping this information private is very important to us. If you want to access your personal information at any time, please let us know.

The Privacy Policy explains the main ways we protect your privacy and how we comply with the National Privacy Principles. You may obtain a copy of the Privacy Policy by visiting the Phillips Family Office website [www.phillipsfinancial.com.au](http://www.phillipsfinancial.com.au)

## **Why do we collect your personal information**

We collect personal information, including sensitive information (e.g. health information), from you to provide you with services including financial advice. We may also use your information to comply with legislative or regulatory requirements in any jurisdiction, prevent fraud, crime or other activity that may cause harm in relation to the particular products or services provided, and help us run our business.

If you do not provide all the information we request, we may no longer be able to provide a product or service, including financial advice, to you.

## **Collecting and Disclosing your Personal Information**

We may disclose your personal information to other members of our organisation, anyone we engage to do something on our behalf such as a service provider, and other organisations that assist us with our business. We may also disclose your personal information to third parties such as a complaints body to whom a complaint relating to a product or service is referred, any party acquiring an interest in our business and anyone acting on your behalf.

We may also collect from the parties listed above any personal information they may hold about you which relates to our provision of financial advice. We may disclose your personal information to an entity which is located outside Australia. Details of the countries where the overseas recipients are likely to be located are in our privacy policy.

As a provider of financial services, we have obligations to disclose some personal information to government agencies and regulators in Australia, and in some cases offshore. We are not able to ensure that foreign government agencies or regulators will comply with Australian privacy laws, although they may have their own privacy laws. By using our products or services, you consent to these disclosures.

We are also required, pursuant to the Anti-Money Laundering and Counter-Terrorism Financing Act (AML/CTF) and its corresponding rules and regulations, to implement certain client identification processes. We may be required to obtain information about you at the time of providing financial services to you and from time to time in order to meet our legal obligations. We have certain reporting obligations pursuant to the AML/CTF Act, and information obtained from or about you may be provided to external third parties and regulators in accordance with the requirements imposed on us.