

Financial Services Guide

COMPASS FINANCIAL MANAGEMENT/ROBERT DE LEPERVANCHE

Version: 13.0

Date prepared: Saturday, 1 January 2022



Robert de Lepervanche JP B.AgEcon CFP® FFPA
COMPASS financial management
ABN 43-235-905-061

158 Gordon Street (PO Box 272)
PORT MACQUARIE NSW 2444

P: 02 6583 2211
F: 02 6583 2303
E: admin@compassadvice.com.au
W: www.compassadvice.com.au



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

- who we are and how we can be contacted
- the advice and services we provide
- information about our licensee Charter Financial Planning Limited (Charter)
- our fees and how we, your adviser and Charter, are paid in connection with those services
- how we manage your private information
- how you can complain about a matter relating to us or Charter

Documents you may receive

We will provide you with a number of documents as you progress through our financial planning process to capture each stage of your advice journey. We may provide these documents to you electronically to your nominated email address, unless otherwise agreed.

When we provide personal advice it will normally be documented and provided to you in a Statement of Advice (SOA), known as a financial plan. The financial plan contains a summary of your goals and the strategies and any financial products we may recommend to achieve your goals. It also provides you with detailed information about product costs and the fees and other benefits we and others will receive, as a result of the advice we have provided.

If we provide further personal advice a financial plan may not be required. We will keep a record of any further personal advice we provide you for seven years. You may request a copy of such records by contacting our office during that period.

If we recommend or arrange a financial product for you we will provide a product disclosure statement (PDS) or investor directed portfolio service (IDPS) guide where relevant. These documents contain the key features of the recommended product, such as its benefits and risks as well as the costs you will pay the product provider to professionally manage that product. You should read any warnings contained in your advice document, the PDS or IDPS guide carefully before making any decision relating to a financial strategy or product.

Not Independent

- Generally, we provide personal advice in line with our Approved Product and Services List (APSL) which may include financial products and services associated with the licensee. We may receive commissions from life insurance products we recommend and non-monetary benefits such as training and educational seminars from product providers. For these reasons, we are not considered independent, impartial, or unbiased.

About our practice

COMPASS financial management is one of a select number of advice providers that has been awarded “**Certified Quality Advice Practice**” status by Charter. This program sets an industry benchmark for providing high-quality financial advice. The certification is awarded based on industry qualifications, demonstrated best practice business operations and proven success in meeting the financial needs of our clients

Summary of the business

| | |
|----------------------------|------------------------------|
| Name | COMPASS financial management |
| Australian Business Number | 42 235 905 061 |

Our office contact details

| | |
|---------|---|
| Address | 158 Gordon Street, PO Box 272, PORT MACQUARIE, NSW 2444 |
| Phone | 02 6583 2211 |
| Fax | 02 6583 2303 |
| Email | admin@compassadvice.com.au |
| Website | www.compassadvice.com.au |

This guide provides information about our advisers including their contact details, qualifications, experience, the services they may offer and financial products they can provide advice on.

Our advice and services

We can provide you with personal and general advice about specific services and financial products listed below. We can also arrange for financial products to be issued without advice from us. In some cases, we may not be able to distribute a financial product to you under non-personal advice if your circumstances do not fit within a product's target market.

Individual advisers within our practice may not be qualified to provide advice in all of the services and products noted below. Their individual profile guides will note any limitations to the advice they are qualified to provide. At all times we will ensure the appropriate adviser is available to you to provide advice consistent with your goals.

The following table sets out the areas of advice we can help you with as well as the products and services we can arrange.

Any additional advice or services we can offer you, or limitations to the list below, will be outlined in **Our financial advisers** page.

| We can provide advice on | We can arrange the following products and services |
|---|--|
| <ul style="list-style-type: none">— Investments strategies (strategic asset allocation and goals based investing)— Budget and cash flow management— Debt management (including borrowing for personal and investment purposes)— Salary packaging— Superannuation strategies and retirement planning— Personal insurance— Estate planning— Centrelink and other government benefits— Aged care | <ul style="list-style-type: none">— Superannuation, including retirement savings accounts— Self-managed superannuation funds (SMSF)— Borrowing within your SMSF— Employer superannuation— Managed investments— Investor directed portfolio services (for example, administration platforms)— Deposit and payment products (for example term deposits, cash management accounts and non-cash payment products)— Standard margin loans— Retirement income streams, including pensions and annuities— Personal and group Insurance (life cover, disability, income protection and trauma)— Life investment products including whole of life, endowment and bonds— Securities (including listed securities and debt securities)— Exchange traded funds and Listed investment companies— Arranging for listed securities, shares and debentures to be bought and sold via a platform and broker.— Various structured products, instalment warrants over managed funds and protected equity loans— Limited selection of investment guarantees |

Charter maintains an approved products and services list from a diversified selection of approved Australian and International fund providers, including companies related to Charter. These have been researched by external research houses as well as our in-house research team.

Charter periodically reviews these products to ensure that they remain competitive with similar products that address similar client needs and objectives. Generally, we recommend products that are on the approved products and services list. However, if appropriate for your needs, we may, subject to Charter's approval, recommend other products.

A copy of the approved products and services list can be supplied to you upon request. If we recommend a new platform or portfolio administration service, we use those approved by Charter.

These services may include those issued by companies related to Charter.

Tax implications of our advice

Under the Tax Agent Services Act 2009, COMPASS financial management is authorised by the Tax Practitioners Board to provide tax (financial) advice services on matters that are directly related to the nature of the financial planning advice provided to you. We will not consider any other tax matters in our advice to you. Where tax implications are discussed they are incidental to our recommendations and only included as an illustration to help you decide whether to implement our advice.

Transaction services

We can arrange to complete transactions for you on limited financial types of financial products where we can take your instructions and arrange for the transaction to be completed, without providing personal advice. If you wish to proceed without our advice, we will ask you to confirm your instructions, which will be documented in writing. We will keep a record of this documentation for seven years after the end of our relationship. You may request a copy of such records by contacting our office during that period.

Your relationship with us and using our services

You can contact us directly with any instructions relating to your financial products. This includes giving us instructions by telephone, mail or email. We can only accept your instructions via email once you have signed an authority form.

We will work with you to agree what advice and services we will provide and when and how often we will provide them.

Where you agree to annual advice and services, the details will be documented and provided to you in an advice or service agreement. This includes the frequency of contact between us, service standards that may apply, any fee arrangements and how the agreement can be terminated.

If at any time you wish to terminate your relationship with us, please contact us using the details shown in this guide.

Providing information to us

It is important that we understand your circumstances and goals, so that we can provide you with appropriate advice and services. You have the right not to provide us with any personal information. Should you choose to withhold information, or if information you provide is incomplete or inaccurate the advice or services we provide you may not be appropriate for you.

It is also important that you keep us up to date by informing us of any changes to your circumstances so we are able to determine if our advice continues to be appropriate.

Our fees

The actual fee charged to you will depend on the nature of the advice or service we provide. We will discuss and agree the actual fees with you before we proceed. The following section outlines the types of fees that may apply.

The fees charged for our advice and services may be based on a combination of:

- A set dollar amount; or
- A percentage based fee.

Our agreed advice and service fees may include charges for:

- Initial advice;
- Ongoing advice and services.
- Annual advice and services

Please note that for services in relation to insurance, commissions may be paid by the product provider as follows:

- Initial commission - a percentage of the value of your insurance premiums, and
- Ongoing commission - a percentage of the value of your insurance premiums, usually calculated at the end of each month in which you hold the investment or on renewal of insurance products.

Payment methods

We offer you the following payment options for payment of our advice and service fees:

- BPAY, direct debit (savings), credit card or cheque; and
- Deduction from your investment (subject to the advice and service provided).

All permissible fees and commissions will be paid directly to Charter as the licensee. It will then pass on the amounts due to us through its payment system. Charter charges our practice a Licensee Fee each year. The Licensee Fee is determined as an annual amount based on a number of factors, including our business revenue, the number of advisers and/or accredited mortgage consultants in the practice and a practice fee.

For more information on our services, please see our **Schedule of fees** below.

Schedule of fees

These prices should be used as a guide only. We will discuss your individual needs and agree our fees with you. The actual agreed fees will depend on factors such as the complexity of your circumstances and goals and the scope of the advice.

Initial service fees

These are fees paid when you have agreed to receive our advice:

| Initial service | Fee amount |
|-----------------------|--|
| Initial Advice | Initial advice fees range between \$440 and \$5,000 for a single strategy and \$1,650 and \$20,000 for multiple strategies. |
| Advice Implementation | Implementation fees range between \$440 and \$5,000 for single advice strategies and \$1,650 and \$20,000 for multiple and complex advice strategies |

If, in developing your financial plan, I identify that you have a complex situation that requires extensive planning and development, my initial advice fee will change. In this case, I will provide you with an upfront quote of the amount payable before I proceed with developing your financial plan.

The initial advice fee covers the cost of researching and preparing your financial plan.

Before providing you with initial advice I will prepare an initial advice agreement.

The initial advice agreement sets out what my initial advice will cover and how much it will cost.

Advice Implementation, covers the administrative time spent implementing the recommended strategies and products.

Ongoing service fees

We provide ongoing services for clients with existing ongoing fee arrangements to help you stay on track to meet your goals. Our ongoing service fees vary depending on the scope and complexity of services provided. The cost of these services are as follows:

| Ongoing service | Fee amount |
|---------------------|---|
| Ongoing Service fee | Fees may be up to 2.0% of your investment balance per annum or a set dollar amount. For example, if your account balance was \$100,000, your fee would be \$2,000 |

The amount of fees will depend on the service offering and these are provided in a separate advice or services agreement. Note that ongoing service are closed to new clients and are applied to existing 'ongoing advice agreements' prior to 1 March 2020.

Additional advice

When providing additional advice we may charge the following:

| Additional advice | Fee amount |
|-----------------------|--|
| Additional advice fee | For additional advice, an hourly rate of \$440 (incl GST) is payable |

Annual advice and service fees

We also offer services for the below costs for a fixed period of 12 months. The cost of those services are as follows:

| Service | Fee amount |
|--------------------------|--|
| Annual fix terms service | Fees may be between 1% pa to 2% pa of funds under management for a 12 month period eg if your funds under management was \$100,000, assuming the balance remains constant, your fee for 12 months would range between \$1,000 to \$2,000 |

The amount of fees will depend on the service offering and these will be provided in a separate advice or services agreement.

Commissions

We may receive commissions when implementing certain products for you, in line with the below. Any commission amounts will be disclosed to you when providing our advice.

The following table is a guide of commissions we may receive.

| Product type | Initial commission | Ongoing commission | Example |
|--|---|---|--|
| Insurance (including those held within superannuation) | Up to 66% of the first year's premium for new policies implemented from 1 January 2020. We may receive commissions on increases or additions to existing policies of up to 130%. | Up to 33% of the insurance premium each following year. | On insurance policies implemented from 1 January 2020, if your insurance premium was \$1,000, we would receive an initial commission of up to \$660. We would receive an ongoing commission of up to \$330.00 pa. |

All fees and charges include GST.

If an agreed advice fee is charged then we may rebate all or some of the commission.

Other costs

Where other costs are incurred in the process of providing our advice and services to you, you will be liable for these costs. However, we will agree all additional costs with you prior to incurring them.

Research into Industry Superannuation Funds

To ensure transparency regarding our fees it is important you are aware that when dealing with Industry Superannuation Funds as a product class, we find it requires further time to research, compile and assess the merits of such as a suitable investment on an ongoing basis. While we find Industry Funds are suitable in some cases, it costs us more in administration and research time to analyse, communicate and transact with them. As such we charge an additional fee of \$440 per Industry Superannuation Fund, per review, when providing ongoing advice. Generally this would be

twice a year so when doing comparisons on the cost of monitoring and managing an Industry Superannuation Fund on your behalf, we allow an additional \$880 per year when comparing costs with Retail funds.

Other benefits we may receive

The following are monetary and non-monetary benefits we may receive other than those explained above. These are not additional costs to you.

In addition to the payments we may receive for our advice and services, we may receive other support services or recognition from the licensee to help us grow our business. This could include education or training, badging rights, technology, financing support, events or other recognition we are eligible for. We may receive benefits from product that may include non-monetary benefits that are valued at less than \$300. We may also participate in business lunches or receive corporate promotional merchandise tickets to sporting or cultural events and other similar items.

Development, management and advice (DMA) run off payments

Eligibility to receive DMA run off payments is dependent on us continuing to be authorised by and meeting standards set by Charter. From 31 January 2020 we will be eligible to receive run off payments based on the amount of advice revenue we generated in 2018. Advice revenue includes revenue directly attributable to advice provided to a client for an agreed fee. It excludes commissions from investment, insurance and banking products. These payments are to assist with our cashflow over 3 years as set out in the table below. Run off payments will not be made after January 2023.

| Year | Total annual amount |
|------|---------------------|
| 2021 | \$19,800.00 |
| 2022 | \$9,900.00 |

Transition support payments (TSP)

The TSP payments we are to receive provide us with transitional cash flow support and are derived from a crystallised base that was unique for our practice.

| Year | Annual TSP amount |
|------|-------------------|
| 2021 | \$32,347.20 |
| 2022 | \$16,173.60 |

Certified quality advice program

On meeting eligibility criteria and gaining access into the program, we may become eligible for discounts on licensee fees and a 10% increase in purchase price under the buyout option. Eligibility is assessed on professional operations and processes, high quality advice standards and education.

Personal and professional development

Charter provides personal and professional development opportunities in the form of education and professional development programs, offered annually to qualifying practices.

Business support

We might receive financial and non-financial assistance from the licensee including financing or subsidies or reimbursements for accounting, legal and bank fees or technology support; marketing, badging rights, or other once-off transitional support costs, to help us grow our business or implement appropriate succession planning options.

Provided we met specific qualification Charter will support the practice with up to \$3,750 per authorised representative that was with us in December 2017. This support is to assist us in meeting the training and education requirements for financial advisers as required by Financial Adviser Standards and Ethics Authority. Any support provided by Charter is paid directly to the education provider and not to us.

Placement fees

From time to time Charter will receive fees from brokers or product issuers (including AMP group companies) for arranging client participation in Initial Public Offerings (IPOs) of financial products. The fee, which is generally a percentage of the fee paid to the broker, varies from offer to offer and by the level of participation by Charter. We may share in this fee based on the level of participation by our clients.

Relationships and associations

It is important that you are aware of the relationships that Charter has with providers of financial services and products as they could be seen to influence the advice you receive.

About our licensee

Charter Financial Planning Limited

ABN 35 002 976 294

Australian Financial Services Licensee number: 234665

Charter Financial Planning Limited has:

- Approved the distribution of this guide
- Authorised us to provide advice and other services as described in this guide

Charter Financial Planning Limited's registered office is located at 33 Alfred Street, Sydney, NSW 2000.

About the AMP Group

Charter is a member of the AMP group of companies. We can provide advice on products from a wide range of financial product providers, some of which are related or associated with Charter, namely:

- National Mutual Funds Management Limited
- NMMT Limited
- N.M. Superannuation Pty Limited
- ipac asset management limited
- AMP Bank Limited
- SMSF Administration Solutions Pty Ltd
- AMP Capital Funds Management Limited
- AMP Capital Investors Limited
- AMP Superannuation Limited
- Australian Securities Administration Limited (ASAL)
- SuperConcepts Pty Ltd

If we recommend a product issued by the AMP Group or a third party product issuer, they will benefit from our recommendation by receiving product, administration and investment fees, as well as fees paid by fund managers to distribute their product. These fees are all disclosed in the relevant PDS or IDPS guide.

Authorised representatives and/or staff employed in our business may hold shares in AMP Limited, whose share price may be favourably affected by the sale of products issued by AMP Group companies.

Confidence in the quality of our advice

If at any time you feel like you are not satisfied with our services, the following will help you understand your options and find a resolution.

- Contact your adviser and tell them about your complaint.
- If your complaint is not satisfactorily resolved within three business days, please contact Charter:
 - Phone 1800 812 388
 - Email advicecomplaints@amp.com.au
 - In Writing

Charter Financial Planning Limited

Attention: National Manager, Advice Complaints

33 Alfred Street

Sydney NSW 2000

- They will try to resolve your complaint quickly and fairly. They will provide you with a decision in respect to your complaint within 45[^] days of us receiving it.
- We note that in some circumstances, it may not be possible for us to completely resolve a complaint within this timeframe. If you do not agree with our decision in respect of your complaint, or are otherwise unsatisfied with our response, you may escalate your complaint to one of the following External Dispute Resolution Schemes listed below.

| | |
|--|--|
| Any issues relating to financial advice, investments, or superannuation matters | Australian Financial Complaints Authority (AFCA) GPO Box 3 Melbourne VIC 3001 1800 931 678 www.afca.org.au info@afca.org.au |
| Any issue relating to your personal information | The Privacy Commissioner GPO Box 5218 Sydney NSW 2001 1300 363 992 privacy@privacy.gov.au |

You may also contact the **Australian Securities & Investments Commission (ASIC)** on 1300 300 630 (free call info line) to make a complaint and obtain information about your rights.

Professional indemnity insurance

We maintain professional indemnity insurance to cover our advice and the recommendations provided by your adviser. Charter is also covered by professional indemnity insurance and this satisfies the requirements imposed by the Corporations Act 2001 and National Consumer Credit Protection Act. The insurance covers claims arising from the actions of former employees or representatives of Charter, even where subsequent to these actions they have ceased to be employed by or act for Charter.

Your privacy

We are committed to protecting your privacy. Below we outline how we maintain the privacy of the information we collect about you.

Privacy collection statement

As part of the financial planning process, we need to collect information about you. Where possible we will obtain that information directly from you, but if authorised by you we may also obtain it from other sources such as your employer or accountant. If that information is incomplete or inaccurate, this could affect our ability to fully or properly analyse your needs, objectives and financial situation, so our recommendations may not be completely appropriate or suitable for you.

We are also required under the Anti-Money-Laundering and Counter-Terrorism Financing Act (AML/CTF) 2006 to implement client identification processes. We will need you to present identification documents such as passports and driver's licences in order to meet our obligations.

We keep your personal information confidential, and only use it in accordance with our Privacy Policy. Some of the ways we may use this information are set out below:

- Your adviser and Charter may have access to this information when providing financial advice or services to you;
- Your adviser may, in the future, disclose information to other financial advisers, brokers and those who are authorised by Charter to review customers' needs and circumstances from time to time, including other companies within the AMP group (the Group);
- Your information may be disclosed to external service suppliers both here and overseas who supply administrative, financial or other services to assist your adviser and the Group in providing financial advice and services to you. A list of countries where these service providers are located can be found in the Group Privacy Policy;
- Your information may be used to provide ongoing information about opportunities that may be useful or relevant to your financial needs through direct marketing (subject to your ability to opt-out as set out in the Group Privacy Policy);
- Your information may be disclosed as required or authorised by law and to anyone authorised by you.

Your adviser and Charter will continue to take reasonable steps to protect your information from misuse, loss, unauthorised access, modification or improper disclosure. You can request access to the information your adviser or Charter holds about you at any time to correct or update it as set out in the Group Privacy Policy. The Group Privacy Policy also contains information about how to make a complaint about a breach of the Australian Privacy Principles.

For a copy of the Group's Privacy Policy visit <http://www.amp.com.au/privacy> or you can contact us.

Our financial advisers

About Robert de Lepervanche

| | |
|----------------------------------|--|
| Experience | 25 Years in the Financial Services Industry giving advice in Investments, Insurance and Superannuation |
| Phone | 02 6583 2211 |
| Email | admin@compassadvice.com.au |
| Authorised representative number | 250347 |

Qualifications (Finance related)

Certified Financial Planner

Bachelor of Agricultural Economics

Diploma of Financial Planning

Proper Authority holder through Charter Financial Planning

TASA and the TPB Code of Professional Conduct

Qualifications (Non-finance related)

Justice of the Peace

Professional memberships

FPA - Financial Planning Association

Professional designations

CFP - Certified Financial Planner (FPA)

Fellow of FPA

The advice and services I can provide

I am authorised to provide all the services listed in the **Our advice and services** section of this guide.

How I am paid

I receive the following from our practice:

- equity in the practice
- share of revenue

My advice costs and payments from other professionals are received by Charter as the Licensee. Charter typically retains 3% (may be scaled down to 0%) of the gross payments and distributes the remaining 97% to COMPASS financial management.

I have equity in COMPASS financial management and may receive capital and profit related benefits.

I am in partnership with Robert Reid who are also financial advisers of Charter. My partners may also be remunerated in the same way as I am.

My other business activities and relationships

I am a credit representative of COMPASS lending & finance (Australian Credit Licence number 388017).

If I provide credit services to you, then I will provide details in a separate credit guide. Charter has no involvement in these activities and is not responsible for any credit services provided by myself.

In addition to providing the services listed in this guide, I have a relationship with COMPASS lending and finance and also hold a credit licence with COMPASS lending and finance. Charter has no involvement in these activities and is not responsible for any services, advice or products provided by this business.

I control a percentage of the equity interests in the business providing the services listed above. As a result, I will benefit from fees, dividends or income received from the business's profits that may result from any payments or other benefits received in respect of the services provided to you.