

# Representative Profile

**This document forms part of the Financial Services Guide and is designed to clarify who we are, what we do, and aims to help you decide whether to use our services.**

## Who we are

Your adviser Mahmoud Moustafa is an Authorised Representative of Apogee Financial Planning Limited.

Mahmoud Moustafa Authorised Representative (A26405) number is Authorised Representative Number.

Mahmoud Moustafa has Educational Qualifications and Experience and is a member of Professional Association Memberships.

Mahmoud Moustafa has been in the Financial Planning industry for four years, and has recently become self employed for a period of 6 months.

Apogee Financial Planning has authorised him/her to provide you this FSG.

## What we do

Mahmoud Moustafa is authorised by Apogee Financial Planning Limited to provide financial advice in relation to:

- Wealth Accumulation
- Income & Asset Protection
- Tax Strategies
- Superannuation
- Retirement & Redundancy Planning
- Estate Planning
- Social Security
- Debt Management

and to provide advice and deal in the following financial products:

- Basic Deposit Products
- Non-basic Deposit Products
- Non-cash Payment Products
- Derivatives
- Government Debentures, Stocks or Bonds
- Life Products – Investment Life Insurance
- Life Products – Life Risk Insurance Products
- Managed Investment Schemes, including Investor Directed
- Portfolio Services (IDPS)
- Retirement Savings Account Products
- Securities and Superannuation

Mahmoud Moustafa is not authorised by Apogee Financial Planning to provide financial product advice in the following financial products:

- General Insurance Products

## Contact us

For more information on anything you have read in the Financial Services Guide or Representative Profile, or if there is anything else we can help you with, please contact Mahmoud Moustafa at:

83 Sydney Road, Coburg VIC 3058  
03 9384 8000  
03 9384 8099  
Mahmoud@bmg.net.au

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## How we charge for our services

<b>Initial consultation</b>	Free of charge.						
<b>Advice preparation</b>	Free of charge, unless you have been advised otherwise.						
<b>Implementation &amp; ongoing services</b> (commission on <b>investments</b> )	Unless you have agreed to a fee for service arrangement we will receive commission for our initial and ongoing services to you. Where we arrange an investment product for you, the relevant product issuer will pay an initial commission to us. The rate of initial upfront commission is between 0% and 5.365% and ongoing commission is between 0% and 0.66% of the value of your investments for as long as you hold the product. Commissions are collected through the product provider and are not a direct cost to you.						
<b>Implementation &amp; ongoing services</b> (commission on <b>life insurance</b> products)	Unless you have agreed to a fee for service arrangement for insurance-related advice we will receive commission for our initial and ongoing services to you. Where we arrange a life insurance product for you, the relevant insurer will pay us an initial commission. The rate of commission is between 0% and 130% and is calculated as a percentage of the annual premium you pay. Annual commission will also be paid when you renew your policy each year. The rate of ongoing commission is between 0% and 33% of the annual premium.						
<b>Implementation</b> (fee for service)	If you elect to pay us a fee for service the following fees will apply. The fees will depend on the size of the investment portfolio and the complexity of the advice:  <table><tr><td>Portfolios less than \$100,000:</td><td>Implementation fee of between \$330 and \$3,300</td></tr><tr><td>Portfolios \$100,000 - \$300,000:</td><td>Implementation fee of between \$2,200 and \$7,700</td></tr><tr><td>Portfolios in excess of \$300,000:</td><td>Implementation fee of between \$5,500 and \$20,000</td></tr></table> Fees may be paid directly by you via credit card, direct debit, cheque or collected through the product issuer.	Portfolios less than \$100,000:	Implementation fee of between \$330 and \$3,300	Portfolios \$100,000 - \$300,000:	Implementation fee of between \$2,200 and \$7,700	Portfolios in excess of \$300,000:	Implementation fee of between \$5,500 and \$20,000
Portfolios less than \$100,000:	Implementation fee of between \$330 and \$3,300						
Portfolios \$100,000 - \$300,000:	Implementation fee of between \$2,200 and \$7,700						
Portfolios in excess of \$300,000:	Implementation fee of between \$5,500 and \$20,000						
<b>Ongoing fee for service</b>	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. The minimum fee is \$330 while the maximum is 1.173% of the value of your portfolio each year. We will receive ongoing commission (as detailed above) for any life insurance products you have in addition to this fee. The ongoing service fee may be collected monthly through the product issuer or paid directly by you via credit card, direct debit or cheque.						
<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, an hourly fee of between \$165 and \$330 may apply.						

**All commissions and fees are inclusive of GST.** Fees could be greater than those disclosed above in complex cases. In these instances, we will inform you of the exact fee payable promptly in writing.

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## Benefits we may receive

To be truly open and honest with our clients, we have detailed below how certain product purchases may benefit our business.

### Business Equity Valuation (BEV)

In the event of our death or permanent disablement, or if we were to leave the financial planning industry, Apogee Financial Planning provides a buyer of last resort option called BEV. This helps manage the transition of ownership to ensure you continue to receive advice.

The value of a sale under BEV is based on a multiple of ongoing revenue received by the business on an annual basis. The multiple can range from 2.5 to 4 depending on the proportion of the ongoing revenue that comes from clients who hold MLC group financial products.

Here are some examples to help you understand the potential benefit to us of our clients holding MLC group product:

- If the ongoing revenue of the business was \$100,000 and 50% of our clients held MLC group products, the sale value for the financial planning business would be between \$250,000 and \$350,000;
- If the ongoing revenue of the business was \$100,000 and 85% of our clients held MLC group products, the sale value for the financial planning business would be up to \$400,000;

Importantly, BEV is subject to us meeting certain compliance requirements and standards.

### Transition Payment on MLC Insurance Premiums

By participating in the annual MLC Protection Transition Program (the 'MLC PTP'), your adviser's business may become eligible to receive an additional commission (called a 'Transition Payment') in respect of certain existing insurance business that has previously been placed by business advisers with MLC Limited.

The intention of the MLC PTP is to assist financial planning businesses transition from:

- a Standard commission model (where higher commissions are paid at the time new business is placed and lower commissions are paid when the business is renewed); to
- an Alternative or Extended commission model (where either lower commissions are paid upfront with higher commissions on renewal, or where a level commission percentage is paid upfront and on renewals).

The Program only applies in respect of the following MLC Protection products:

- MLC Personal Protection Portfolio;
- MLC Life Cover Super;

The 2008-2009 Offer has been launched and to receive a Transition Payment your adviser's business must:

(i) have had a minimum threshold of MLC Product premiums in-force as at 30 September 2009;

(ii) select the Alternative and/or Extended method of receiving commission for 75% of new business placed in MLC Products from 1 October 2008 to 30 September 2009;

(iii) have a policy retention rate for MLC Products of at least 90% for the period of the Scheme; and

(iv) have a premium in-force in MLC Products as at 30 September 2009 greater than or equal to what it had at 1 October 2008.

The Transition Payment is paid directly by MLC Limited and does not alter the insurance premium payable by clients.

The Transition Payment will be calculated by applying the rates detailed below to the annual premium of policies under your adviser's business that were sold on standard terms and that have been in-force for 5 years or more as at 30 September 2009.

Existing Annual Insurance Requirement – Premium at end of the Qualification Period	Transition Payment Rate p.a. (inclusive of GST)
\$250,000 – \$649,999	5%
\$650,000 – \$849,999	6%
\$850,000 – \$1,049,999	8%
\$1,050,000 – \$1,549,999	10%
\$1,550,000 – \$2,049,999	12%
\$2,050,000 +	13%

For example, if your adviser's business was eligible to receive a Transition Payment Rate of 6% and the total of its client annual premiums in-force was \$125,000 for MLC Product policies on standard rates (which are at least 5 years old as at 30 September 2009), your adviser's business would receive \$7,500 (\$125,000 x 6%).