

Fortnum Private Wealth Ltd
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FINANCIAL SERVICES GUIDE (FSG)

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About this Guide

This Financial Services Guide (FSG) provides you with important information about Fortnum Private Wealth (Fortnum), the Principal Practice, and its Authorised Representatives (Advisers) who may provide you with the services described in this FSG.

This FSG consists of two parts, and both contain important information which must be read together. It's important that you take the time to read the information provided so that you can make an informed decision about whether to use the services offered by us.

If you need any clarification on what you have read, please don't hesitate to contact us. We are committed to having open and honest communication with you at all times, as this is the foundation of good advice and a successful ongoing relationship.

ABOUT US

Fortnum, as an Australian Financial Services Licensee (AFSL), brings together many like-minded financial advisers who share a “client-first” approach.

Our name comes from a combination of two words – fortress and numbers. This represents our duty to you, the client – our dedication to protecting your financial security and our strength in numbers.

Fortnum is owned by current and former:

- Principal Practices and Advisers (or their related entities);
- Fortnum staff; and
- Fortnum contractors.

How does Fortnum maintain adviser standards?

Each Fortnum Adviser is required to undertake continuous professional development. Fortnum hosts regular training programs on areas such as legislative changes to the taxation, social security, superannuation and investment environments. Our education and training philosophy is one of continually raising the bar.

Each Fortnum Adviser has direct access to technical, risk and investment research professionals who can provide additional analysis on strategy and products so that we can deliver quality advice to you. Risk management specialists monitor and regularly audit each Fortnum Adviser to maintain high-quality advice standards.

Who is responsible for the advice to you?

Fortnum is responsible for any financial advice or services your Adviser provides under our Australian Financial Services Licence (AFSL).

What financial services and products can Fortnum provide?

Fortnum is licensed to provide financial product advice and deal with the following products:

- Deposit and payment products.
- Debentures, stocks or bonds issued or proposed for issue by a government.
- Derivatives.
- Life investment or life risk products.
- Interests in managed investment schemes, including Investor Directed Portfolio Services (IDPS or ‘Wrap’).
- Managed Discretionary Account (MDA) Services.
- Retirement savings accounts.
- Superannuation (including Self-Managed Super Funds).
- Listed Securities.
- Standard margin lending facilities.

A wide range of financial products from various product providers are available and are thoroughly researched by qualified research professionals including, but not limited to, Mercer, Innova Asset Management, Zenith and Morningstar.

Your Adviser is only authorised to advise on products which are approved by Fortnum for use. Your Adviser will only recommend a product to implement your strategy after considering its suitability in relation to your individual objectives, financial situation, and needs.

Lack of Independence

Fortnum, its Principal Practices and its Advisers are not independent, impartial or unbiased due to the types of payments that are received by the group. This includes commissions paid by insurance providers based on insurance recommendations made to clients. Payments received in this regard are all legal under Corporations Act 2001.

OUR ADVICE PROCESS

A comprehensive advice process is designed to ensure that the advice provided is suited to your needs and financial circumstances.



Important documents

You will receive a number of documents throughout the advice process and if you agree to enter into an ongoing review service. We will provide these documents as per your preferred method, electronically or paper based.

<p>Statement of Advice (SOA)</p> <p>Your Adviser will formulate a strategy to help achieve your needs and objectives and will put together any personal advice in a Statement of Advice (SOA). A SOA sets out the scope of the advice, your current personal and financial position, the basis for the advice and how it addresses your needs and objectives. It will also disclose the fees and charges payable by you and the remuneration and other benefits we may receive.</p>	<p>Record of Advice (ROA)</p> <p>Where a further review is conducted or ad-hoc advice is requested from you and personal advice is provided, the advice may be provided via a new SOA or a Record of Advice (ROA) as applicable to the circumstances. Further advice may be in the form of a ROA where the further advice does not significantly differ from the original advice provided.</p>	<p>Statement of Transaction (SOT)</p> <p>At times, you may wish to make changes without receiving advice. In these cases, we can take your instructions by telephone, email or in person (depending on type) and arrange for the transaction to be completed, without providing personal advice.</p> <p>Once implemented, we will provide you with a Statement of Transaction (SOT), which confirms your instructions, informs you that no advice has been provided and discloses any fees and charges payable by you.</p>
<p>Product Disclosure Statement (PDS)</p> <p>If your Adviser recommends a product as part of your financial strategy, they will provide you with the relevant Product Disclosure Statement (PDS). The purpose of a PDS is to assist you in making a decision about the particular financial product. It contains information about the product's key features, benefits, risks, and fees.</p>	<p>Ongoing Service Agreement (OSA)</p> <p>If your Adviser recommends, and you enter into, an ongoing review service, for a period of more than 12 months, you will initially receive an Ongoing Service Agreement (OSA). This document outlines the agreed service and the fees applied over the specified period.</p> <p>You will also receive an Enhanced Fee Disclosure Statement (eFDS) each following year. It will outline the fees paid and the services you received in the preceding 12 months, as well as estimated fees and services which will be provided to you in the upcoming 12 month period. The document will also ask you to confirm that you would like to continue the ongoing review service with your Adviser and consent to the deduction of any ongoing fees.</p>	<p>Client Service Contract</p> <p>If your Adviser recommends, and you enter into, a service arrangement for a fixed period of 12 months or less, you will receive a Client Service Contract. This document outlines the agreed service and the fees applied over the specified period.</p> <p>You will also receive a Confirmation of Fees and Services Letter at the end of the contract period which will outline the services you received, and fees paid.</p>

HOW WE ARE PAID

The remuneration and other benefits listed below generally cover what Fortnum, your Adviser, the Principal Practice and any related parties may receive as a result of the services provided to you. Specific amounts and benefits can often only be calculated once the recommendations are made to you.

There are various ways that you may pay Fortnum for the services provided to you, including:

- Fee for service - where you pay a fee for the services that we provide; or
- Commission (paid by product and service providers) in the form of initial (up-front) and/or ongoing (trail) commission; or
- A combination of commission and fee for service.

Each of these is discussed in further detail below.

All fees for services paid by you and/or commission paid by product and service providers are paid to Fortnum. Fortnum then distributes 100% of the fees received to its Principal Practices or distributes the fees after our Licensee fees and other expenses have been deducted.

Fee for service

In all instances, your Adviser will discuss the calculation of the fees when you meet and agree on the services to be provided. Fees charged are generally payable after the services have been provided, however, ongoing review service fees are generally paid in advance. The agreed fees may be documented in a Letter of Engagement, set out in a SOA, in a ROA, or via an OSA.

Fee for service payments may be payable for:

- Initial Consultation – we may charge fees for your initial discovery meeting.
- Advice Preparation – we may charge fees for the preparation, presentation and/or implementation of our advice to you. These fees will be based on your individual circumstances, the complexity involved in your situation and the time it takes to prepare personal financial advice for you.

- Ongoing Review Service – we may charge a fee to provide ongoing reviews, including further advice suitable to your needs.
- Ad hoc Fees – we may charge fees for other services where costs outside the above are incurred.

How are fees for services calculated and paid?

Fees charged for our services may be:

- A dollar amount; or
- A percentage of the amount invested; or
- An hourly rate; or
- A combination of some or all of the above, as agreed with you.

How commissions (initial and ongoing) from a life insurance product are calculated?

Fortnum may receive payments in the form of initial commissions and/or ongoing commissions from the insurance product providers for any product you choose to use that is recommended by us. These commissions are included in the fees and/or premiums you pay for the product. You do not pay these fees to us directly. We may rebate some or all of this to you.

Initial commission from a life insurance provider is typically up to 66% (inclusive of GST) of the first year's premium that you pay.

Ongoing commission can be up to 33% (inclusive of GST) of the premium from year two onwards for the life of the policy.

However, existing commission arrangements for insurance purchased prior to 1 January 2018 may continue to be paid in the same manner as what would have previously been advised to you.

The actual commission that will be received by Fortnum, the Principal Practice, and your Adviser will be disclosed to you in your SOA, SOT or ROA.

Managed Discretionary Account Service Fee

Fortnum offer a Managed Discretionary Account (MDA) Service and charge a service fee for the use of the MDA Service.

Member Fees

Fortnum may receive payments from the trustee of a superannuation fund, with which it has entered into a Member Services Agreement, in respect of the services provided to you on behalf of the trustee. Please refer to Part 2 of our Guide for further details (if applicable).

Other forms of remuneration or benefits

Fortnum, your Principal Practice and/or Adviser may be entitled to other benefits when providing services to you.

Fortnum, your Principal Practice and Adviser keep registers of small value benefits (i.e. \$100 to \$300 in value) which may be received by them from product and service providers. These benefits are permissible unless they are received frequently or when similar benefits received combine to exceed \$300 per annum. If you would like a copy of the register, please ask your Adviser and it will be made available to you within seven days.

In addition, Fortnum receives payments by product providers to support adviser training and professional development.

If your Adviser is an accountant who is subject to the Accounting Professional and Ethical Standards, under APES 230, all benefits received, regardless of value, will be recorded on their register.

PROFESSIONAL INDEMNITY INSURANCE

Fortnum is covered by Professional Indemnity insurance satisfying the requirements under section 912B of the Corporations Act (2001) relating to insurance obligations. Our insurance arrangements cover claims made against us as the Licensee and for the conduct of any Fortnum adviser (whilst acting as an Authorised Representative of our AFSL).

OTHER IMPORTANT DETAILS

Fortnum Advice Pty Ltd

Fortnum Advice Pty Ltd is a wholly owned subsidiary of Fortnum Private Wealth Ltd. Fortnum Advice holds an Australian Financial Services License that provides financial services to clients.

PROTECTING YOUR PRIVACY

We collect and keep a record of your personal information, including sensitive information (e.g. information about your health), in order to provide you services including financial advice. We may also use the information we have collected in order to comply with any legislative or regulatory obligations we have and to help us run our business.

Fortnum is committed to the confidentiality and security of your personal information. It will be necessary for us to collect, use and disclose your personal information. If you do not consent to this, or we are unable to collect all the necessary personal information, we will not be able to provide you with the relevant financial planning and advice services.

In most cases, we collect personal information directly from you. In other cases, however, we may collect your personal information from third parties. The third parties we may collect from include, but are not limited to: your accountant, your lawyer or solicitor, other financial services institutions, insurance providers and any other third parties where you have provided consent.

In order to manage and administer our financial planning services, it may be necessary for us to disclose your personal information to third parties. The parties to whom we may disclose your personal information include, but are not limited to: financial institutions for the provision of financial products, such as investments, superannuation, and life insurance; auditors; third parties providing mailing services, administration support, maintenance of our information technology systems, printing of our documents, research services; any government or regulatory body for whom we have a legal obligation to provide this information to; referral partners.

It is possible that an organisation listed above may disclose your personal information to overseas recipients, but it is not possible for us to provide any further details of that in this document. We may disclose your personal information to an entity which is located outside of Australia, to enable them to undertake specified services on behalf of Fortnum, your Adviser or Principal Practice.

In addition, the Principal Practice and/ or your Adviser may disclose your personal information to

overseas recipients in order to access services they provide, such as paraplanning and administration.

Details of this can be found in the Fortnum Privacy Policy, which includes details of how you may access, and seek correction of, your personal information which we hold. It also includes details of how you may complain if you believe that we have breached the Australian Privacy Principles under the Privacy Act and how we deal with such complaints.

You may obtain a copy of the Fortnum Privacy Policy by telephoning us on (02) 9904 2792 or by visiting our website at www.fortnum.com.au.

You can authorise another person to act on your behalf, to receive information and/or undertake transactions. Both requesting this to occur, and removing this authorisation, are required to be notified in writing.

Where your Adviser becomes a representative of, or sells their business to, another Australian Financial Services Licensee, Fortnum may also use and disclose the information collected about you to enable your Adviser or the new business owner to continue to provide you with financial products and services.

We collect your personal information as permitted by, and in accordance with, the Privacy Act. Other legislation may also apply, such as the Anti-Money Laundering and Counter-Terrorism Financing Act.

ABSENCE OF RELEVANT INFORMATION

If you do not wish to provide the information required to formulate your recommendations, your Adviser will advise you about the possible consequences of not having disclosed your full personal information and the impact on the recommendations given. You should consider these implications carefully.

IF YOU HAVE A COMPLAINT

In the first instance, if you are unhappy with the advice or service provided by your Adviser, Practice Principal, or Fortnum, you can let us know by putting your concerns in writing or by calling us.

We will investigate your complaint and respond to your concerns as quickly as possible and within 30 days.

Complaints Officer (Fortnum Private Wealth)

PO Box R1872
ROYAL EXCHANGE NSW 1225

By email at complaints@fortnum.com.au or by calling (02) 9904 2792.

If we have not responded to your complaint within 30 days, or if you feel it has not been resolved to your satisfaction, you may refer your concerns to the Australian Financial Complaints Authority (AFCA), which provides an accessible, fair and independent dispute resolution service. You can contact AFCA at:

Australian Financial Complaints Authority Limited

GPO Box 3
Melbourne VIC 3001
www.afca.org.au

By email at info@afca.org.au; or by calling 1800 931 678.

You can also contact the Australian Securities and Investments Commission (ASIC). ASIC is Australia's corporate, markets and financial services regulator. ASIC contributes to Australia's economic reputation and wellbeing by ensuring that Australia's financial markets are fair and transparent, supported by confident and informed investors and consumers. You can contact ASIC at:

Australian Securities and Investments Commission

PO Box 4000
Gippsland Mail Centre Victoria 3841
www.asic.gov.au

By calling 1300 300 630.

ABOUT US

Our Practice, Stratus Financial Group and our Advisers are Authorised Representatives of Fortnum Private Wealth Ltd.

Our Practice has been established since 2001 and our mission is to provide professional market leading service advice and solutions to achieve your financial and lifestyle goals. We can help you create the financial security that lets you focus on what is really important in your life.

Below are our Practice details and how you can contact us:

Name	Stratus Financial Group		
Phone	(07) 3007 2007	Email	info@stratusfinancialgroup.com.au
Fax	(07) 3007 2008	Website	www.stratusfinancialgroup.com.au
Address	Level 3, 235 Edward Street, Brisbane, QLD, 4000		
Name	Bonegilla Enterprises Pty Ltd	Name	Brett Cribb & Associates Pty Ltd
ACN	131 945 429	ABN	79 436 976 889
CAR	1273590	CAR	1273780
Name	Jabari Pty Ltd		
ACN	629 401 663		
CAR	1273779		

*The above corporate entities trade under Stratus Financial Group. From here onwards these entities will be referred to collectively as Stratus Financial Group.

WHAT WE DO

We can provide advice on the below types of financial products and services. Your adviser may not be qualified in all of the products and services below. Please refer to their individual adviser profile for their qualifications and the advice they can assist you with.

The types of financial product advice our Advisers can provide you:

- Deposit and payment products.
- Debentures, stocks or bonds issued or proposed for issue by a government.
- Life investment or life risk products.
- Interests in managed investment schemes, including Investor Directed Portfolio Services (IDPS or 'Wrap').
- Retirement savings accounts.
- Superannuation.
- Managed Discretionary Account Services*.
- Self-Managed Super Funds (SMSF)*.
- Margin Lending Facilities*.
- Listed Securities*.

The services our Advisers can provide you:

- Investment strategies including gearing and savings plans.
- Budget and cash flow planning.
- Debt management.
- Superannuation advice, including salary sacrifice and consolidation strategies.
- Self-Managed Super Funds (SMSF)*.
- Personal insurance strategies.
- Centrelink / DVA advice.
- Retirement planning advice.
- Aged Care*.
- Estate planning advice.
- Advice on ownership and structures (e.g. discretionary and family trusts).
- Portfolio review services.
- Ongoing advisory services.
- Executive Share Scheme management & advice

*Accredited advisers only. Our Advisers may also engage by referral the use of specialists such as (but not limited to) accountants and solicitors.



Our Tax Services

Stratus Financial Group's Principal Practices are individually registered with the Tax Practitioners' Board as a Tax (Financial) Adviser, as is each Adviser. This means that Brett Cribb, Stephen Nicholas, and James Marshall can provide tax advice in regard to the strategies and financial products that they recommend to you.

OUR FEES

Fees will be agreed based on your requirements and the complexity of your financial circumstances. All fees charged will be fully detailed in the Letter of Engagement, Scope of Service Letter or Statement of Advice you receive and will be agreed with you prior to you becoming liable for them.

We will discuss and agree on the method of payment with you before we provide you with our services. Generally, we will either invoice you directly, or deduct from your investments, or adopt a combination of these methods for the fees payable. Cash transactions will not be accepted.

Fee for Service

Fee for Service

The fee for service may be determined by any of the following:

- An agreed fee;
- A percentage of funds under advice of up to 1.1% (including GST) depending on the complexity of your circumstances;
- A combination of any of the above.

The fee for service may be payable for the preparation of advice, initial advice and ongoing review and advice services. The actual fee depends on individual circumstances and your initial fee for service will be outlined in your engagement letter and will be agreed with you prior to you becoming liable for them. Fees for ongoing services will be contracted with you on an annual basis via a fixed-term agreement or an ongoing service agreement. All fees are inclusive of GST (if applicable).

If you pay a fee for service to Fortnum, they may pay a proportion of this to the Stratus Financial Group's Principal Practices as outlined under the heading "Payments we receive".

If your Adviser receives a proportion of this remuneration directly attributable to the advice and/or service they have provided you, they will inform you of the amount at the time they provide you with advice.

Insurance Commissions

Commissions

Insurance commissions may be paid by product providers to Fortnum, who, in turn, may pay a proportion of this to Stratus Financial Group. If your Adviser receives a proportion of this remuneration, they will inform you of the amount at the time they provide you with advice.



Payments we Receive

All fees for services paid by you and/or commission paid by product and service providers are paid to Fortnum. Fortnum then distributes the fees received to its Principal Practices after our Licensee fees and other expenses are deducted. Stratus Financial Group may share part of this amount with your Adviser.

Your Statement of Advice, Statement of Transaction or Record of Advice will provide further details of amounts paid to Fortnum, Stratus Financial Group, and your Adviser.

Payments our Advisers Receive

Brett Cribb, Stephen Nicholas, James Marshall and operate separate underlying business entities which are remunerated by Fortnum in relation to earnings generated by their own efforts as well as staff they employ in their respective entities.

Referrals to us and others

We may provide you with a referral to other professionals. This may include, but is not limited to, accountants, mortgage brokers and legal practitioners. You may also have been referred to us by another professional.

We may receive a payment for these referrals. If we are entitled to receive a referral payment, we will disclose this to you at the time of the referral.

We may give a payment for referrals to us. If this is the case, we will inform you of this payment prior to the referring party being entitled to the payment.

We have referral agreements in place with the following referral partners:

- Richard Loveday of Astute Financial. If we refer you to Richard to receive Credit Assistance, we may receive up to 30% (including GST) of the commission Richard receives as a result of our referral to him. Details of this will be provided to you at the time of the referral. This is not an additional charge to you.



OTHER IMPORTANT DETAILS

Our Relationships and Associations

The extensive list of products and services approved by Fortnum includes products and services provided by entities with whom Fortnum director, employee, Stratus Financial Group and/or your Adviser have a relationship or association, either directly or via a related entity.

We believe that your interests should be placed first and that products and services should only be recommended if it is in your best interests.

However, it is important that you know of, and are comfortable with, those relationships and associations and any benefits that arise.

Shareholding in Fortnum Private Wealth Ltd

Your Adviser or your Adviser's Principal Practice either personally, directly or through an associated entity, may be a shareholder in Fortnum Private Wealth Ltd (Fortnum).

Associations and Directorships

Brett Cribb is a director and shareholder of Brett Cribb & Associates Pty Ltd & Jabari Pty Ltd.

- Brett may be entitled to receive dividends and director fees from these companies.

James Marshall is a director and shareholder of Jabari Pty Ltd.

- James may be entitled to receive dividends and director fees from this company.

Stephen Nicholas is a director and shareholder of Bonegilla Enterprises Pty Ltd.

- Stephen may be entitled to receive dividends and director fees from this company.

Brett Cribb

Authorised Representative Number	239372
Phone	07 3007 2007
Email	bcribb@stratusfinancialgroup.com.au
Qualifications	DipFP, SAFIN, BEng, MAusIMM
Professional Designations	AFP®

Advice and services I can provide

- Deposit and payment products
- Debentures, stocks or bonds issued or proposed for issue by a government
- Life investment or life risk products
- Interests in managed investment schemes, including Investor Directed Portfolio Services (IDPS or 'Wrap')
- Retirement savings accounts
- Superannuation
- Managed Discretionary Account Services
- Self-Managed Super Funds (SMSF)
- Margin Lending Facilities
- Listed Securities

Experience

Brett Cribb is a Proprietor of Stratus Financial Group.

He has worked in the financial services industry since 2000 when he joined a Member Firm of Associated Planners Financial Services Limited (formerly Genesys) as a financial adviser. From 2001, he became a self-employed financial adviser with the same group. Prior to his financial planning career, he was a Mining Engineer and Underground Manager with Mount Isa Mines (now part of Glencore). Along with the Stratus Financial Group, Brett joined Fortnum Financial Advisers in August 2010.

Brett holds a Diploma of Financial Planning and a Bachelor of Engineering. He is a Member of the Financial Planning Association (FPA), an Associate Member of the Self-Managed Super Fund Association (SMSFA), a Senior Associate of the Financial Services Institute of Australia (FINSIA) and a Member of the Australian Institute of Mining and Metallurgy.

Stephen Nicholas

Authorised Representative Number	281149
Phone	07 3007 2007
Email	snicholas@stratusfinancialgroup.com.au
Qualifications	GradDipFinPlanning, GradDipAppFin, BAppSci
Professional Designations	AFP®

Advice and services I can provide

- Deposit and payment products
- Debentures, stocks or bonds issued or proposed for issue by a government
- Life investment or life risk products
- Interests in managed investment schemes, including Investor Directed Portfolio Services (IDPS or 'Wrap')
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- Margin Lending Facilities
- Listed Securities

Experience

Stephen Nicholas is a Proprietor of Stratus Financial Group.

Stephen has worked in the financial services industry since 1998, beginning his career as a Rural Economist for the National Australia Bank then moving to Financial Planning in 2002. He has worked as a financial adviser since 2004 with Stratus Financial Group Pty Ltd. He joined Fortnum Financial Advisers in July 2010.

Stephen holds the Graduate Diploma of Financial Planning, a Graduate Diploma of Applied Finance and Investment, holds a Bachelor of Applied Science degree and is also a member of the Financial Planning Association.

James Marshall

Authorised Representative Number	1244040
Phone	07 3007 2007
Email	jmarshall@stratusfinancialgroup.com.au
Qualifications	BBus, MAppFin, CFP® GAICD
Professional Designations	CFP®

Advice and services I can provide

- Deposit and payment products.
- Debentures, stocks or bonds issued or proposed for issue by a government.
- Life investment or life risk products.
- Interests in managed investment schemes, including Investor Directed Portfolio Services (IDPS or 'Wrap').
- Retirement savings accounts.
- Superannuation.
- Managed Discretionary Account Services.
- Self-Managed Super Funds (SMSF).
- Margin Lending Facilities.
- Listed Securities.

Experience

James is a Proprietor of Stratus Financial Group.

James has worked in the financial services industry since 2011 when he joined a financial planning practice as a Paraplanner. He continued his career by working in this role for Colonial First State until May 2014, when he joined Stratus Financial Group.

James holds a Bachelor of Business (Finance) degree with a Master of Applied Finance (Financial Planning), is a Graduate of the Australian Institute of Company Directors and holds the internationally recognised CERTIFIED FINANCIAL PLANNER™ or CFP® qualification through the Financial Planning Association.

With these qualifications and experience, our Advisers are well qualified to help clients achieve their financial goals.

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AFSL: 357 306

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