

FORTNUM PRIVATE WEALTH LTD

# FINANCIAL SERVICES GUIDE (FSG)

## Combined Financial Services Guide (FSG)

Effective 1 October 2020

Issued by:  
Fortnum Private Wealth Ltd (Fortnum)  
ABN 54 139 889 535  
Australian Financial Services Licence  
(AFSL) 357306



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## Welcome

This Financial Services Guide has been authorised for release and distribution by Fortnum Private Wealth Ltd ABN 54 139 889 535 Australian Financial Services Licence (**AFSL**) 357306 (**Fortnum**).

This Financial Services Guide (**FSG**) provides you with important information about Fortnum, Stratus Financial Group and any Authorised Representative (**Adviser**) who may provide you with the services described in this FSG.

The entities listed below all trade under Stratus Financial Group:

- Bonigella Enterprises (ACN 131 945 429) Corporate Authorised Representative Number 1273590
- Brett Cribb and Associates Pty Ltd (ABN 79 436 976 889) Corporate Authorised Representative Number 1273780
- Jabari Pty Limited (ACN 629 401 663) Corporate Authorised Representative Number 1273779
- Protection Advice Pty Ltd (ABN 93 660 162 846) Corporate Authorised Representative 455126

From here onwards these entities will be referred to collectively as Stratus Financial Group.

Stratus Financial Group and its Advisers are Authorised Representatives of Fortnum Private Wealth Ltd.

This FSG contains important information about:

- Fortnum and Stratus Financial Group of which your Adviser is a principal or employed by one of the underlying businesses;
- The areas of advice and services your Adviser is authorised to provide on behalf of Fortnum;
- Fortnum's general advice process;
- How Fortnum, your Adviser or Principal Practice (Stratus Financial Group) are paid for the financial advice and services provided to you;
- Details of any conflicts you should be aware of;
- Your Adviser's skills and qualifications;
- Any arrangements or relationships which may influence advice that is provided to you by us;
- How we protect your privacy; and
- The process available to you if you are unsatisfied with the services or advice provided to you.

In addition, if your Adviser recommends you establish a Managed Discretionary Account (MDA) Service, at the time of the recommendation they will provide you with a Fortnum Private Wealth Ltd Managed Discretionary Account Service Financial Services Guide, which, when an MDA Service is recommended, forms part of our FSG and must be read in conjunction with this document. It will provide information about what a MDA Service is, the documentation you should receive, the risks of an MDA Service, the fees and costs associated with the MDA Service and other important information.



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.

References in this FSG to:

- "We", "our" and "us" means Fortnum, your Adviser or Stratus Financial Group.
- "Advice document" means Statement of Advice or Record of Advice.

The Principal Practices trading as Stratus Financial Group are individually registered as Corporate Authorised Representative of Fortnum Private Wealth and therefore are authorised to distribute this FSG to you.

You should note that Fortnum acts for you when your Adviser provides services to you. Further, if you take out or renew an insurance product as part of the services provided to you, neither Fortnum nor your Adviser acts for the insurer, whether under a binder (i.e. a power to commit the insurer to an insurance policy), or otherwise.

### **About Fortnum Private Wealth Ltd**

Fortnum, as an Australian Financial Services Licensee, 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 I'm given?**

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

## **Financial services and products Fortnum can 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
- Securities
- Standard margin lending facilities
- Superannuation (including Self-Managed Super Funds)

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.

## **Fortnum's advice process**

Fortnum has a comprehensive advice process in place designed to ensure that the advice provided is suited to your needs and financial circumstances. Your Authorised Representative may use this as a basis to personalise their advice process.

In summary:

### **1. Getting to know you**

It's all about you. When you meet with your Adviser, they will discuss your expectations, help you to identify your financial goals and provide you with details of the services that they can offer. During this meeting and/or at a follow-up meeting, they may also gather information about your financial situation, needs and objectives and your risk profile and ascertain what the scope of the advice to be provided will be. Your consent and agreement on the scope of the advice will be documented via a Letter of Engagement.

If you do not wish to provide the information, they require to formulate their 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.

### **2. Developing strategies and providing you with advice documents**

#### **Initial advice**

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.

The SoA will also make reference to any potential conflicts of interest that you need to be aware of when deciding whether to rely on the advice. Your Adviser will explain any risks associated with implementing the recommendations. Please ask your Adviser to clarify any risks you do not understand.

### **Further advice**

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.

Where further advice is provided, and if you have not already been provided with a copy of the new advice document, then you may, for a period of seven years after the further advice was first provided to you, request a copy of your advice document. This can be done by contacting your Adviser in writing, by email or by telephone.

### **Product Disclosure Statement**

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 Product Disclosure Statement 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.

### **3. Gaining your consent to proceed**

Your Adviser will discuss their recommendations with you, make any changes you require and gain your agreement to implement those recommendations. They will then implement those recommendations.

### **4. Keeping you on track**

To ensure that the advice your Adviser provides you with continues to meet your financial situation, needs, and objectives, we offer an ongoing review service which provides regular reviews and written reports on the valuation and status of your investment portfolio.

If you wish to take up this service, please contact your Adviser so they can provide more information and outline their fees.

If your Adviser recommends, and you enter into, an ongoing review service, for a period of more than 12 months:

- You will receive a Fee Disclosure Statement (FDS) each year. It will outline the fees paid and the services you received in the preceding 12 months.
- You may also receive an Opt-in Notice every two years along with your FDS. This document will ask you to confirm that you would like to continue the ongoing service review with your Adviser.

### **Instructing your Adviser**

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 at Stratus Financial Group's office you are dealing with and arrange for the transaction to be completed, without providing personal advice.

If you wish to proceed without advice from us, we will ask you to confirm your instructions in writing. 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, as well as any benefits we may receive.

### **Charging options**

The remuneration and other benefits listed below generally cover what Fortnum, your Adviser, Stratus Financial Group 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 we provide to you, including:

- Fee for service - where you pay a fee for the services that we provide;
- 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.

### **Fee for service**

Fee for service payments may be payable for:

- **Preparation of advice and initial advice:** 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. We will discuss these fees with you and gain your agreement on the fees, in the form of a Letter of Engagement and or a Scope of Service Letter, before we provide you with advice. The fee will also be disclosed to you in your advice document.
- **Ongoing adviser services:** We may charge a fee for the services provided on an ongoing basis commencing from the implementation of the recommendations contained in the advice document. The amount and the services included will be determined in consultation with your Adviser.
- **Ongoing review and advice services:** We may charge a fee to provide ongoing portfolio reviews, including further advice suitable to your needs. This fee will be determined in consultation with your Adviser and documented in an Ongoing Service Agreement.

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 adviser service fees are generally paid in advance. The agreed fees may be documented in a Letter of Engagement, and or a Scope of Service Letter, set out in a Statement of Advice, or in a Record of Advice.

## **How are fees for services calculated and paid?**

Fees charged for our services may be:

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

## **Payment of fees for services**

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.

## **Commissions on group life insurance products**

Fortnum does not receive any initial or ongoing commission on group life insurance products held through superannuation including employer, corporate or industry superannuation plans. However, existing commission arrangements are grandfathered and will continue to be paid if the product was entered into before 1 July 2014. In instances where we advise that you retain such products, we will continue to receive any existing ongoing commissions that are payable.

In respect of all other life insurance products apart from group insurance plans held through superannuation, Fortnum may receive payments in the form of initial commissions and/or ongoing commissions from the 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.

## **How are commissions (initial and ongoing) from a life insurance product and service provider calculated and deducted?**

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:

The actual commission that will be received by Fortnum, Stratus Financial Group's Principal Practices, and your Adviser will be disclosed to you in your Statement of Advice, Statement of Transaction or Record of Advice.

### **Example**

If you pay \$1,000 p.a. in premium for a life insurance product recommended to you and the applicable initial commission is 66% (including GST), then Fortnum will receive initial commission of \$660 (i.e. \$1,000 x 66%). Fortnum may then pass on anywhere up to the full amount, \$660 in this example, to the Principal Practice.

## **Commissions on investment products**

Generally, Fortnum does not receive initial or ongoing commissions in respect of investment products. However, there are some products which continue to pay commissions where the product was entered into before 1 July 2014. In instances where we advise that you retain such products, we will continue to receive any existing ongoing commission that is payable.

All remuneration percentage rates paid from the product and service provider are dependent upon the specific products you hold and are inclusive of GST where applicable. Specific details of the commission paid from the product and service provider will be fully disclosed in your advice document.

## **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.

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.

### **1. Payments from product and service providers**

Fortnum receives payments from a number of product and service providers of up to 0.40% (inclusive of GST) per annum of amounts invested with the relevant providers before 01 July 2013. Of the amount received, your Principal Practices receives 60% and the balance is retained by Fortnum and is used in paying its expenses.

As at the date of this FSG, Fortnum receives payments from the following product and service providers: OnePath, BT, Colonial First State, MLC/ Navigator, and IOOF.

#### **Example**

If the total revenue generated under the partnership agreements with a particular provider is \$1000.00, the Principal Practice receives \$600.00 (i.e. \$1000.00 x 60%) and Fortnum retains the balance of \$400.00.

## **Fortnum Advice Platform Trust (FAP Trust)**

Fortnum Advice Platform Trust (FAP Trust) is an entity that sponsors a financial product called "Fortnum Advice Wrap" which is administered by BT Portfolio Services. All payments (sometimes referred to as rebates) received by Fortnum in respect of investments through the Fortnum Advice Wrap are held by the FAP Trust. Of this amount, the FAP Trust distributes payment to Principal Practices (or their related entities) and Fortnum staff holding units in the FAP Trust.

FAP Trust was established to facilitate rebates paid by BT to Fortnum in relation to client accounts established with BT (ie in BT Wrap and Fortnum Advice Wrap) on or before 30 June 2013. FAP Trust distributes these rebates in a manner as defined within the FAP Trust deed.

Your Adviser, Stratus Financial Group 's Principal Practices or a related entity holds Class A and / or Class C units in FAP Trust which gives them an interest in benefits distributed by FAP Trust. Class A unit holders receive a share of 60% of the distributions by FAP Trust in proportion to the gross revenue of FAP Trust referable to clients of your advisers. Class C unit holders receive a share of 20% of distributions in proportion to the number of units held.

**Example**

If \$100,000 revenue is generated from investing with Fortnum Advice Wrap, the Trust will distribute 60% to its Principal Practices who hold Class A units in the trust (i.e.  $\$100,000 \times 60\% = \$60,000$ ). A further 20% is distributed to participating staff who hold Class B units in the trust (i.e.  $\$100,000 \times 20\% = \$20,000$ ). The remaining 20% is distributed to the holders of Class C units which are held by both Principal Practices and participating staff (i.e.  $\$100,000 \times 20\% = \$20,000$ ).

## **2. Licensee Advice Fee**

If your Adviser recommends that you utilise a platform issued by BT (including BT Wrap and BT Panorama), Colonial First State or HUB24, and you implement their recommendation, you may pay a Licensee Advice Fee of up to 0.08% per annum of your account balance up to a maximum of \$800 per annum to Fortnum. For example, if you invest \$200,000 in a Hub 24 Account, your Licensee Advice Fee will be 0.08% pa of your account balance, or \$160, in the first year.

This fee is retained by Fortnum and used to assist with the provision of advice and advice related services. Some of these services include;

- Market research and the preparation of Approved Product Lists;
- Advice process support including the provision of tools, policies and processes to assist with the delivery of financial product advice;
- Compliance oversight, education and training to ensure the continuous development of Advisers;
- Obtaining Professional Indemnity insurance (PI Insurance) for Authorised Representatives;
- Negotiations which Fortnum undertakes with the above platform providers for reduced administration fees;
- Negotiations which Fortnum undertakes with investment managers for rebates on their fees (Investment Management fees/Indirect Cost Ratios/Management Expense Ratios) for clients.

Details of whether this applies, and the Licensee Advice Fee applicable, will be outlined in your Statement of Advice.

## **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 Australian Financial Services Licence).

## **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 standard documents and correspondence, 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 Stratus Financial Group.

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](http://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.

### **What to do if you have a complaint**

1. If you are unhappy with the advice or service provided by your Adviser or Fortnum, you can let us know by putting your concerns in writing and sending them to:

**Complaints Officer**  
**Fortnum Private Wealth**  
PO Box R1872  
ROYAL EXCHANGE NSW 2059  
[complaints@fortnum.com.au](mailto:complaints@fortnum.com.au)  
(02) 9904 2792

We will investigate your complaint and respond to your concerns as quickly as possible and within 45 days.

2. If we have not responded to your complaint within 45 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](http://www.afca.org.au)  
By email at [info@afca.org.au](mailto:info@afca.org.au); or by calling 1800 931 678

3. 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](http://www.asic.gov.au)  
1300 300 630

## About Stratus Financial Group

### Who is Stratus Financial Group?

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's really important in your life.

The following individual entities trade under Status Financial Group

- Bonigella Enterprises (ACN 131 945 429) Corporate Authorised Representative Number 1273590
- Brett Cribb and Associates Pty Ltd (ABN 79 436 976 889) Corporate Authorised Representative Number 1273780
- Jabari Pty Limited (ACN 629 401 663) Corporate Authorised Representative Number 1273779
- Protection Advice Pty Ltd (ABN 93 660 162 846) Corporate Authorised Representative 455126

You can also find information on our Principal Practice at [www.stratusfinancialgroup.com.au](http://www.stratusfinancialgroup.com.au)

### The Advisers Authorisations and Service Offering

The below table summarises the areas in which our Advisers are authorised to provide financial product advice to you.

Authorisation	Brett Cribb	Stephen Nicholas	James Marshall	Peter Beauchamp
Deposit and payment products	✓	✓	✓	✓
Debentures, stocks or bonds issued or proposed to be issued by a government	✓	✓	✓	✓
Derivatives	✓	x	✓	x
Life Investment or life risk products	✓	✓	✓	✓
Interests in managed schemes, including investor directed portfolio services	✓	✓	✓	✓
Managed Discretionary Account (MDA) services	✓	✓	✓	✓
Retirement savings accounts	✓	✓	✓	✓
Securities (Including Listed Shares)	✓	✓	✓	x
Superannuation	✓	✓	✓	✓*
Standard Margin Lending facility	✓	✓	✓	x

\*excluding Self-Managed Super Funds

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, Peter Beauchamp and James Marshall can provide tax advice in regard to the strategies and financial products that they recommend to you.

The table below summarises the services our Advisers can provide to you:

<b>Services Offered</b>	<b>Brett Cribb</b>	<b>Stephen Nicholas</b>	<b>James Marshall</b>	<b>Peter Beauchamp</b>
<b>Investment Strategies including gearing and savings plans</b>	✓	✓	✓	✓
<b>Budget and cash flow planning</b>	✓	✓	✓	✓
<b>Debt Management</b>	✓	✓	✓	✓
<b>Superannuation advice, including salary sacrifice and consolidation strategies</b>	✓	✓	✓	✓
<b>Self-Managed Super Fund</b>	✓	✓	✓	✗
<b>Personal insurance strategies</b>	✓	✓	✓	✓
<b>Centrelink / DVA advice</b>	✓	✓	✓	✓
<b>Retirement planning advice</b>	✓	✓	✓	✓
<b>Estate planning advice</b>	✓	✓	✓	✓
<b>Advice on ownership and structures eg Discretionary and family trusts</b>	✓	✓	✓	✓
<b>Portfolio Review Services</b>	✓	✓	✓	✓
<b>Ongoing advisory services</b>	✓	✓	✓	✓

Our Advisers may also engage by referral the use of specialists such as accountants and solicitors, but not limited to.



## **Stratus Financial Group 's Advisers**

### **Brett Cribb**

DipFP, SAFIN, BEng, MAusIMM, AFP®

Authorised Representative Number: 239372

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**

GradDipFinPlanning, GradDipAppFin, BAppSci, AFP®

Authorised Representative Number: 281149

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.

### **Peter Beauchamp**

DipFS(FP), AFA

Authorised Representative Number: 239337

Peter Beauchamp is a Proprietor of Stratus Financial Group.

Peter has worked in the financial services industry since 1990, initially with National Mutual until 1997. In 1998, he became a financial adviser specialising in risk insurance advice and in 2003 he commenced his own practice.

Peter holds the Diploma of Financial Services Financial Planning) and is a Member of the Association of Financial Advisers (AFA).

**James Marshall**

B Bus, MAppFin, CFP®

Authorised Representative Number: 1244040

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) and also 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.

**Client Fees**

As outlined in Fortnum's General Advice Process of our Guide under the heading "Charging Options", there are various ways that you may pay for the services that are provided.

- Fee for service;
- Commissions from a product or service provider; or
- A combination of the above

**Fee for service**

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 will be outlined in your Letter of Engagement and/or your Scope of Service letter.

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 you receive and will be agreed with you prior to you becoming liable for them. Any further fees may be outlined in a Scope of Services letter. 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 'Remuneration received by Stratus Financial Group's Principal Practices.

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.

**Remuneration received by Stratus Financial Group's Principal Practices**

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 Principles Practices after any applicable 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's Principal Practices.

Commissions may be paid by product and service providers to Fortnum, who, in turn, may pay a proportion of this to Stratus Financial Group's Principal Practices.

If your Adviser receives a proportion of this remuneration, they will inform you of the amount at the time they provide you with advice.

### **Adviser Remuneration**

Brett Cribb, Stephen Nicholas, James Marshall and Peter Beauchamp 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.

### **Conflicts you should be aware of:**

#### **Relationships and associations**

The extensive list of products and services approved by Fortnum includes products and services provided by entities with whom Stratus Financial Group 's Principal Practices 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**).

#### **Fortnum Advice Platform Trust (FAP Trust)**

FAP Trust was established to facilitate rebates paid by BT to FPW in relation to client accounts established with BT (ie in BT Wrap and Fortnum Advice Wrap) on or before 30 June 2013. FAP Trust distributes these rebates in a manner as defined within the FAP Trust deed.

Your Adviser, their Principal Practice or a related entity holds Class A and / or Class C units in FAP Trust which gives them an interest in benefits distributed by FAP Trust. Class A unit holders receive a share of 60% of the distributions by FAP Trust in proportion to the gross revenue of FAP Trust referable to clients of the Principal Practice entity. Class C unit holders receive a share of 20% of distributions in proportion to the number of units held.

#### **Associations and Directorships**

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

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

Stephen Nicholas is a Director and shareholder of Bonigella Enterprises Pty Ltd.

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

Peter Beauchamp is a Director and shareholder of Protection Advice.

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



## **Making and Receiving Referrals**

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.

## **Payments to referrers**

Payments received for referring you to another professional

We have a referral arrangement with 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.



FORTNUM PRIVATE WEALTH LTD

# PRIVACY POLICY

Issued by:  
Fortnum Private Wealth Ltd  
ABN 54 139 889 535  
Australian Financial Services Licence  
(AFSL) 357306



**As at 30<sup>th</sup> October 2018**

Published on Fortnum Private Wealth (<http://fortnum.com.au/fortnum-privacy-policy/>)

Address: Suite 2, Level 6, 111 Pacific Highway North Sydney NSW 2060  
Phone: (02) 9904 2792

## **Introduction**

Fortnum Private Wealth Ltd (FPW) and its Principal Practices and associated entities, including any Authorised Representatives (Fortnum Group Members) (collectively, “we” or “us”) take very seriously our obligations under the Commonwealth Privacy Act (Privacy Act) to protect your personal information. Under the Privacy Act, we are bound by the Australian Privacy Principles, and in this Privacy Policy, we describe how we intend to meet our privacy obligations.

## **Personal Information**

The Privacy Act sets out the information that it protects.

Personal information generally means information or an opinion about a person, where the person is identified or is reasonably identifiable.

Sensitive information means a person's health information, genetic information, certain biometric information and biometric templates. It also means certain personal information, being an opinion about a person's:

- racial or ethnic origin;
- political opinions;
- membership of a political association;
- religious beliefs or affiliations;
- philosophical beliefs;
- membership of a professional or trade association;
- membership of a trade union;
- sexual orientation or practices; or
- criminal record

Where in this Privacy Policy we refer to personal information, unless the context requires otherwise that is a reference to both personal information and sensitive information.

## **Personal information collected and held**

FPW and Fortnum Group Members only collect and hold personal information that is relevant to, and reasonably necessary for, the financial and other services we provide to you. In addition, we only collect sensitive information if you consent, or in specific circumstances set down in the Australian Privacy Principles.

The kind of information we will be likely to collect and hold includes your name, address and contact details, tax file number, personal medical information, your date of birth and details about your financial circumstances, goals and strategies.

## **Consequences of not providing your personal information**

You are not obliged to give us your personal information. However, if you decide not to give us information needed in order to provide you with services, we may not be able to provide those services to you.

## **How your personal information is collected and held**

FPW and Fortnum Group Members must collect personal information only by lawful and fair means. We will usually only collect your personal information directly from you, for example, in discussion with you or via email. We may collect your personal information from another person if you consent, if we are required or allowed by law to do so, or if it would be unreasonable or impracticable for us to have to collect it from you.

For example, it may be necessary to collect personal details from third parties, such as issuers or operators of financial products or financial services. However, we will endeavour to collect such information directly from you wherever practicable.

When we collect personal information about you, we will tell you why it is being collected, the organisations, or the types of organisations, to whom we usually disclose that kind of information, any law that requires the information to be collected, and the main consequences for you if the information (or part of the information) is not provided. We will also give you our contact details and tell you about how you can access the information.

Fortnum Private Wealth Ltd utilises a web based client relationship management tool called Insightly that stores its data in the United Kingdom and United States of America. There could be times where a portion of your data is being stored through this tool. We have attached a link to the Insightly Privacy Policy for your information:

<https://www.insightly.com/privacy-policy/>

In addition, Fortnum Private Wealth Ltd uses the Microsoft Office 365 operating system. Portions of your data may be stored through these systems. Microsoft have confirmed that data is stored in part in Australia and also the United States of America. We have attached a link to the Microsoft Privacy Policy for your information: <https://privacy.microsoft.com/en-ca/privacystatement>

In addition, Fortnum Private Wealth Ltd utilises the services of Contractors, who are located in Cambodia and the Philippines.

Your adviser may disclose your personal information to overseas recipients in order to access services they provide, such as paraplanning and administration. If this is the case, your Adviser or their Principal Practice will provide you with details, including the relevant countries. If you consent to this overseas disclosure, it is on the basis that Fortnum Private Wealth Ltd has not checked that the overseas recipient complies with the Privacy Act but rather, this due diligence has been undertaken by the Principal Practice.

## **How your personal information is used**

Personal information is collected and held so that FPW and your Adviser can provide you with services you request. This is known as the "primary purpose" for collecting and holding personal information.

We cannot use or disclose your personal information for any secondary purposes unless certain circumstances apply.

We can use or disclose personal information for a secondary purpose where you give us your consent to do so, or where:

- the secondary purpose is related to the primary purpose (where the information is sensitive information, it must be directly related to the primary purpose); and
- you would reasonably expect us to use or disclose the information for the secondary purpose.

The types of secondary purposes for which we would ordinarily use or disclose your personal information include contacting you regarding other services that we believe may be of interest to you.

We may also use or disclose information where such use or disclosure is permitted by the Australian Privacy Principles. For example, where reasonably necessary to deal with unlawful activity or serious threats to life, health or safety.

Some primary and secondary purposes will require disclosure of your personal information to third parties. Some examples of when this would be required include for the purpose of providing you with services. The likely recipients would be the issuers or operators of financial products or financial services and providers of office and related services to us. We will require that any third parties to whom we disclose personal information will only use that information for the purposes for which we disclosed it to them and on the basis that they will comply with their privacy obligations.

If your Fortnum Group Member moves to another Australian Financial Services Licensee (AFSL), we may provide your personal information to the other AFSL to enable your Fortnum Group Member to continue providing you with services. Similarly, if your Fortnum group member sells their business to another financial adviser or AFSL we may provide your personal information to them to enable them to provide you with services. In the event of either of these things occurring, FPW will notify you in advance and you will have the ability to opt out of this transition.

## **Data quality and protection**

FPW and your Fortnum Group Member will take reasonable steps:

- to make sure all personal information we collect is accurate, complete and up-to-date at all times; and
- to make sure all personal information we use or disclose is (having regard to the purpose of the use or disclosure) accurate, complete up-to-date and relevant at all times.

We will also take reasonable steps to protect your personal information from misuse, interference and loss, and from unauthorised access, modification and disclosure. Once your personal information is no longer required by us, we will take reasonable steps to destroy or permanently de-identify that personal information, except in circumstances where we are required by law to retain it.

## **Access and correction**

If you think the personal information FPW and your Fortnum Group Member hold about you is not accurate, complete or up-to-date, you should let us know. Also, please let us know any relevant changes to your personal circumstances as soon as possible.

We will take reasonable steps to correct information where you provide sufficient evidence or we are otherwise satisfied, having regard for the purpose for which the information is held, that the information is inaccurate, out-of-date, incomplete, irrelevant or misleading. We will also notify the correction to other parties to whom we have previously disclosed the information and if such a party refuses to make a correction, we will notify you of that refusal and how you can make a complaint.

If you require access to personal information we hold about you, please send us an email to [info@fortnum.com.au](mailto:info@fortnum.com.au). We will generally allow access, unless certain exceptions apply under the Australian Privacy Principles - for example, if we reasonably consider providing access would pose a serious threat to the life, health or safety of any person, or providing access would be likely to prejudice action being taken by an enforcement body, or providing access would be unlawful.

Your request should specify the information to which you require access or which you wish to be corrected. We will keep a record of your request for and the manner in which it was dealt with.

We will not charge you for requesting access to, or correction of, your personal information. We may, however, charge you the costs associated with meeting your request for access, for example photocopying and postage costs.

We are required to respond to your request for access or correction within a reasonable period, of receipt of your request.

We will provide you with access in the manner you request, if it is reasonable and practicable to do so.

If we cannot meet your request for access or correction, we will notify you by email and where reasonable we will give you our reason and take steps to provide you with access. We will also tell you about how you can complain about our decision.

## **Anonymity**

You can contact us anonymously or by using a pseudonym. However, being unable to identify you will limit the services your Fortnum Group Member can provide you and there may be specific cases where we are prevented by law from dealing with you unless we identify you.

## **Data breach**

Should a data breach occur, we will notify affected individuals and the Office of the Australian Information Commissioner (OAIC) of the data breaches that are likely to result in serious harm within 30 days of the breach event.

The factors which might contribute to a reasonable person thinking “serious harm” might have occurred include:

- The sensitivity of the information;
- Whether the information was encrypted;
- Whether the information was in a secure file;
- How likely it is that the security could be breached; or
- The identity of the person who obtained the information, whether they intend to cause harm to the affected person and the nature of the harm.

## **Complaints and further information**

If you would like further information about how we handle your personal information, please send us an email to [info@fortnum.com.au](mailto:info@fortnum.com.au).

If you wish to make a complaint in relation to privacy, including a breach of the Australian Privacy Principles, please put your concerns in writing to:-

Head of Advice

Fortnum Private Wealth Ltd PO Box 1988

North Sydney NSW 2059

Telephone: 02 9904 2792

FPW will investigate your complaint and respond to your concerns as quickly as possible and within 45 days.

## **Policy review**

This policy will be reviewed at least annually.

As at 30<sup>th</sup> October 2018