



FORTNUM PRIVATE WEALTH LTD

FINANCIAL SERVICES GUIDE (FSG)

The Financial Wellness Group Pty Ltd v1.3

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, The Financial Wellness Group Pty Ltd and any Authorised Representative (**Adviser**) who may provide you with the services described in this FSG.

The Financial Wellness Group Pty Ltd (ABN 71 614 860 123) and its Advisers are Authorised Representatives of Fortnum Private Wealth Ltd. The Financial Wellness Group Pty Ltd's Corporate Authorised Representative Number is **1256096**. This FSG contains important information about:

- Fortnum and The Financial Wellness Group Pty Ltd of which your Adviser is a director and/or an employee;
- the areas of advice and services your Adviser is authorised to provide on behalf of Fortnum;
- your Adviser's skills and qualifications;
- The Financial Wellness Group Pty Ltd's advice process;
- how Fortnum, your Adviser or Principal Practice are paid for the financial advice and services provided to you, including The Financial Wellness Group Pty Ltd's fees;
- details of any conflicts you should be aware of;
- 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.

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 The Financial Wellness Group Pty Ltd.
- "Advice document" means Statement of Advice or Record of Advice.

The Financial Wellness Group Pty Ltd, as an Authorised Representative of Fortnum, is authorised by Fortnum 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.



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, 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.

Who is The Financial Wellness Group Pty Ltd?

Our Practice has been established to provide a range of wealth advice and expertise to assist clients with every aspect of their financial situation. Our firm has a disciplined approach to helping you build and manage your plan for financial independence.

Advice Options

The Financial Wellness Group is licenced to provide a range of advice solutions depending on your needs and you have the flexibility to choose the level of service you want. This might include:

General advice

on topics including investments and insurances within your superannuation. Any general advice in these areas will not take into account your objectives, financial situation and needs (personal circumstances).

Personal Advice Referrals

If your needs are beyond the services which we provide under General Advice, we will refer you to Griffin Financial Services Pty Ltd.

Any fees associated with this Advice will be discussed, and agreed upon with you, prior to any Advice being prepared.

Services and Advice Offered

Whilst the Financial Wellness Group is authorised to provide advice in a number of areas, the Advisers noted in this profile are only able to provide general advice in the following advice areas:

- Life insurance
- Managed investment schemes as they relate to your superannuation
- Superannuation
- Retirement income streams

Retirement planning

The Financial Wellness Group is registered with the Tax Practitioners Board as a Tax (Financial) Adviser. This means our Advisers can take into consideration the potential tax implications in the general advice they provide you.

Our Advisers may also engage by referral the use of specialists such as accountants, and solicitors.

The Financial Wellness Group Pty Ltd's Advisers

Adviser Name	Christopher Miles	Sorcha O'Halloran	Jarrold Frowde
Qualifications	Advanced Diploma of Financial Services Bachelor of Economics	RG146 Bachelor of Arts (Honours)	Diploma of Financial Planning Postgraduate certificate in Management Certificate in Banking & Finance
Authorised Representative Number	1256094	1257487	1274405
Memberships	Financial Planning Association		
Bio	Christopher Miles is a director of The Financial Wellness Group. He has work in the financial services industry for over 11 years. Christopher holds a Bachelor in Economics, majoring in Banking and Finance as well as an Advanced Diploma in Financial Services.	Sorcha has worked in the financial services industry since 2006 and has held various positions in Relationship Management and Accounts Management roles. Sorcha has worked in Corporate Super since 2012.	Jarrold has worked in the financial services industry for over 25 years and has held a range of business development, relationship management & leadership roles over this time including more recently within the Corporate Superannuation space. Jarrold holds qualifications in banking & finance, post graduate management and more recently attained a Diploma in Financial Planning.

Client 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. This payment is paid periodically, and Fortnum may pay a proportion of this to The Financial Wellness Group Pty Ltd as detailed in Part 1 of our Guide under the heading 'Remuneration received by Principal Practices'. Any member servicing payments that are received is not an additional cost to you.

Fortnum receives (on behalf of The Financial Wellness Group Pty Ltd) fees outside of the arrangements listed above. These fees relate to arrangements with employers and grandfathered corporate superannuation fees and commissions.

Under such agreements, our advice is restricted to providing general advice or factual information only.

Where we receive a request for additional corporate services, outside the scope of any existing Member Services Agreement with a Superannuation Fund Trustee, we may enter into a fee for service arrangement. Any arrangement will be agreed in writing before the provision of these additional services.

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.

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

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 or Statement of Advice you receive and will be agreed with you prior to you becoming liable for them. All fees are inclusive of GST.

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.

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?

For all insurance policies applied for before 1 January 2018 and in force before 31 March 2018

Initial commission from a life insurance provider is typically up to 125% of the first year's premium that you pay. Ongoing commission can be up to 35% of the premium from year two onwards for the life of the policy.

The actual commission that will be received by Fortnum and The Financial Wellness Group Pty Ltd 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 125%, then Fortnum will receive initial commission of \$1,250 (i.e. \$1,000 x 125%). Fortnum may then pass on anywhere up to the full amount, \$1,250 in this example, to the Principal Practice.



For all insurance policies either applied for after 1 January 2018 or applied for before 1 January 2018 and not in force before 31 March 2018

Initial commission from a life insurance provider is typically up to 88% (inclusive of GST) of the first year's premium that you pay. Ongoing commission can be up to 38.5% (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, The Financial Wellness Group Pty Ltd, 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 80%, then Fortnum will receive initial commission of \$800 (i.e. \$1,000 x 80%). Fortnum may then pass on anywhere up to the full amount, \$800 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.

Remuneration received by The Financial Wellness Group Pty Ltd

All fees for services paid by you and/or commission paid by product and service providers are paid to Fortnum. Fortnum pays an amount to its Principal Practices, which depends on the gross revenue generated by the Principal Practice over the previous 12 months. The Financial Wellness Group Pty Ltd may receive up to 100% of the fees or commissions received. The Financial Wellness Group Pty Ltd 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, The Financial Wellness Group Pty Ltd, and your Adviser.

Commissions may be paid by product and service providers to Fortnum, who, in turn, may pay a proportion of this to The Financial Wellness Group Pty Ltd.

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

Christopher Miles a director/shareholder of The Financial Wellness Group Pty Ltd and has been appointed as an Authorised Representative of Fortnum.

Christopher is paid a salary based on experience and capability

As disclosed above, Christopher Miles may receive dividends and/or distributions as a shareholder and unitholder in the entities which own The Financial Wellness Group Pty Ltd.

Sorcha O'Halloran and Jarrod Frowde are employees of The Financial Wellness Group Pty Ltd and have been appointed as an Authorised Representative of Fortnum.

The Advisers listed above may be remunerated by one or more of the following methods.

➤ Salary

Your Adviser may be paid a salary based on experience, capability and responsibility within The Financial Wellness Group Pty Ltd.

➤ Bonus

Your Adviser may be eligible to receive a bonus based on a combination of revenue and other non-financial measures that relate to compliance, staff training and the quality of service.

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.

Your Adviser may refer you to TFWG Lending Pty Ltd. This company is owned by TFWG Holdings Pty Ltd.

Your Adviser may refer you to TFWG Financial Planning Pty Ltd. This company is owned by TFWG Holdings Pty Ltd.

Option 6

The Financial Wellness Group Pty Ltd may refer you to AIA Australia in relation to Private Health Insurance under their MyOwn brand. If, after speaking with the MyOwn team, you take out Private Health Insurance with them, The Financial Wellness Group Pty Ltd will receive a referral fee of 20% of the first year's premium, plus GST. This is at no additional cost to you.



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.

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 2014. Of the amount received, The Financial Wellness Group Pty Ltd 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, Colonial, Navigator, Man Invest, IOOF and Life Risk Partnership.

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.

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 The Financial Wellness Group Pty Ltd.

Where applicable

In addition, The Financial Wellness Group Pty Ltd 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.



If you use overseas recipients or if you have a privacy policy
In addition to the Fortnum Privacy Policy, The Financial Wellness Group Pty Ltd also has its own Privacy Policy. You may obtain a copy of The Financial Wellness Group Pty Ltd's Privacy Policy by telephoning us on 1300 008 394 or by visiting our website at <http://tfwg.com.au/>.

Further details around how The Financial Wellness Group Pty Ltd manages privacy are available at <http://tfwg.com.au/> and/or by calling us on 1300 008 394.

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, The Financial Wellness Group Pty Ltd, or Fortnum, you can let us know by putting your concerns in writing and sending them to:

	By emailing us at:	By calling us on:
Complaints Officer Fortnum Private Wealth P.O. Box 1988 North Sydney NSW 2059	operations@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:

	Online at:	By emailing at:	By calling on:
Australian Financial Complaints Authority Limited G.P.O Box 3 Melbourne VIC 3001	www.afca.org.au	info@afca.org.au	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:

	Online at:	By calling on:
Australian Securities and Investments Commission P.O. Box 4000 Gippsland Mail Centre Victoria 3841	www.asic.gov.au	1300 300 630

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 Fortnum director, employee, The Financial Wellness Group Pty Ltd 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.

Companies for which there is a related party relationship

Christopher Miles is a director/shareholder in TFWG Lending Pty Ltd. The Financial Wellness Group may refer you to TFWG Lending Pty Ltd for lending services. Christopher Miles is a director/shareholder in TFWG Financial Planning Pty Ltd. The Financial Wellness Group may refer you to TFWG Financial Planning Pty Ltd for personal financial advice.

**Associations and Directorships**

Christopher Miles is a Director of, and either directly or via a related entity, a shareholder in, The Financial Wellness Group Pty Ltd, TFWG Financial Planning Pty Ltd, TFWG Holdings Pty Ltd & TFWG Lending Pty Ltd. This means that Christopher Miles may receive a direct benefit from any financial product advice or services that are provided to you, including dividends and director fees from these companies.