

Fortnum Private Wealth Ltd Financial Services Guide – Part 2

Fairway Financial Advice

Fairway Financial Advice Ltd¹ (ABN 68 786 381 811) and Fairway Too Pty Ltd (ABN 82 601 766 581) trade together as Fairway Financial Advice and its Advisers are Authorised Representatives of Fortnum Private Wealth Ltd.

This Financial Services Guide (**our Guide**) provides you with important information about Fortnum Private Wealth Ltd (Fortnum) and any Authorised Representative (**Adviser**) who may provide you with the services described in our Guide.

Our Guide consists of two parts:

- Part 1; and
- Part 2 (this document).

The information in our Guide is not complete without both documents, which must be read in conjunction with each other.

Contact Details

If you would like to make an appointment, please contact our office on:

Phone: (07) 3325 4775

Fax: (07) 3325 4776

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Address: Suite 6, 25 Ferguson Street, Albany Creek Qld 4035

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¹ Fairway Financial Advice Pty Ltd as trustee for The Neil Macdonald Family Trust

Fairway Financial Advice

Authorised Representative Numbers:
Fairway Financial Advice Pty Ltd - **287057**
Fairway Too Pty Ltd - **466445**

We believe in old fashioned values such as personal service, good value for money, and treating each client as an important individual. At the same time, we are happy to embrace advances in technology and new ideas, as long as they benefit our clients.

“The *Right Thing* to do” underlines all relationships with our clients, business partners and each other.

We know that the *Right Thing* to do will be different for each individual, but our consistent promise to you is:

- We will listen to what is important to YOU
- We will design solutions that suit YOU
- We will support YOU at each step of the journey

We aim to provide you with a great experience so that you will tell your friends, family and colleagues that dealing with FAIRWAY Financial Advice *is* the *Right Thing* to do.

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.

Credibility

To ensure that our recommendations are supported by quality research and products, we are proudly a founding Principal Practice of Fortnum Private Wealth Ltd.

Fortnum is one of Australia’s fastest growing and highest calibre financial networks.

We believe Fortnum have the people, culture, security, vision and Client First Guarantee that makes a *genuine* difference for you, and us.

You can also find information on our Practice at www.fairwayfinancial.com.au

Your 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	Neil Macdonald	Glenn Dibley	Courtney Cooper
Deposit and payment products	x	✓	✓
Debentures, stocks or bonds issued or proposed to be issued by a government	x	✓	✓
Derivatives	x	x	x
Life Investment or life risk products	✓	✓	✓
Interests in managed schemes, including investor directed portfolio services	x	✓	✓
Managed Discretionary Account (MDA) services	x	✓	✓
Retirement savings accounts	x	✓	✓
Securities	x	✓	x
Superannuation	Insurance advice within Superannuation only	✓	✓*
Standard Margin Lending facility	x	✓	x

*Courtney is not authorised to provide SMSF Advice.

Fairway Financial Advice is registered with the Tax Practitioners Board as a Tax (Financial) Adviser, as is each Adviser. This means that Neil Macdonald, Glenn Dibley and Courtney Cooper 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:

Services Offered	Neil Macdonald	Glenn Dibley	Courtney Cooper
Investment Strategies including gearing and savings plans	x	✓	✓
Budget and cash flow planning	x	✓	✓
Debt Management	x	✓	✓
Superannuation advice, including salary sacrifice and consolidation strategies	x	✓	✓
Self-Managed Super Fund	x	✓	x
Personal insurance strategies	✓	✓	✓
Centrelink / DVA advice	x	✓	✓
Retirement planning advice	x	✓	✓
Estate planning advice	x	✓	✓
Advice on ownership and structures e.g. Discretionary and family trusts	x	✓	✓
Portfolio Review Services	x	✓	✓
Ongoing advisory services	x	✓	✓

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

Our Advisers

Adviser Name	Neil Macdonald	Glenn Dibley	Courtney Cooper
Qualifications	- Bachelor of Economics	- Advanced Diploma of Financial Services (Financial Planning) - Diploma of Financial Services (Financial Planning)	- Certificate Estate Planning - Diploma of Financial Planning - Advanced Diploma of Financial Planning
Authorised Representative Number	269188	328176	1258334
Memberships	Financial Planning Association of Australia (FPA)	FPA	
Bio and Experience	Neil is the Proprietor of Fairway Financial Advice Pty Ltd. He has worked in the financial services industry since 1990 beginning his career with National Mutual before joining a boutique financial advising firm in 1995. He became an insurance adviser in 1997 and now is a Personal and Business Insurance specialist. He joined Fortnum Financial Advisers in August 2010	Glenn is a partner in Fairway Too Pty Ltd. He has worked in the financial services industry since 2006 and as a practicing adviser from 2008 gaining experience within the banking industry and in Private Practice. Glenn has developed an extensive industry knowledge relating to pre and post Retirement Planning, Investment Strategies, Centrelink Advice and Insurance solutions.	Courtney is employed by Fairway Financial Advice Pty Ltd. She has worked in the financial services industry since 2011 and has a strong customer service and product knowledge background supporting her evolution to an adviser in 2017. Specialising in Personal and Business Insurance solutions, Courtney, also is accredited in pre and post Retirement Planning and Investment Strategies.

Client Fees

As outlined in Part 1 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 or Statement of Advice.

Preparation of Advice

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

- Specific Advice at a minimum of \$1,100.00 (GST inclusive): this advice is usually specific to one area of your situation, i.e. investment portfolio;
- Strategic Advice at a minimum of \$1,650.00 (GST inclusive): this advice is the most common style of advice and relates to an analysis of your whole situation and strategies for the future. This includes superannuation consolidation and projections;
- Structural Advice at a minimum of \$2,750.00 (GST inclusive): this advice is provided in very complex situations and usually involves a number of different structures and strategies;
- You may also be offered an additional hourly rate of between \$150 and \$250 depending on the complexity of the advice given and your circumstances. This will be agreed between you and your adviser prior to proceeding.

Initial Adviser Services

To implement the agreed strategies, we may charge an initial Adviser service fee. This fee is only payable if you accept our recommendations and you ask us to implement them for you. It is payable at the time of implementation and you can choose to pay by invoice or it may be deducted from your portfolio.

Ongoing Adviser Services

We recommend that you review your financial situation at least every 12 months or whenever your personal or financial circumstances change.

Our fee for assisting you at this time may be calculated as a percentage of your account balance or as a negotiated flat fee. You can arrange for the payment to be taken directly from your portfolio or paid on invoice under a fee for service arrangement.

Ongoing Review Services

If we have no ongoing service arrangement with you, you need to ask us for advice or a review. We may then charge you a fee for any services we provide. The fee may be calculated as a percentage on your account balance or as a flat fee or charged by the hour for work completed. This fee will be agreed to between you and your chosen Adviser before work is commenced and disclosed in your applicable advice document.

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 you pay a fee for service to Fortnum, they may pay a proportion of this to Fairway Financial Advice as detailed in Part 1 of our Guide under the heading 'Remuneration received by 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.

No Direct Fee for Insurance

If you purchase or retain a Life Insurance policy on our recommendation, we may receive brokerage payments from the Insurer who issues the policy. There are a number of ways these payments can be structured. Insurers currently offer commission payments of up to 80% of the first year's premium and up to 30% for subsequent years over the life of the policy.

Commissions from Product and Service Providers

Commissions may be paid by product and service providers to Fortnum, who, in turn, may pay a proportion of this to Fairway Financial Advice as detailed in Part 1 of our Guide under the heading 'Remuneration received by 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

Glenn Dibley and Neil Macdonald are partners of Fairway Too Pty Ltd and have been appointed as Authorised Representatives of Fortnum.

Neil Macdonald is a director/shareholder of Fairway Financial Advice and has been appointed as an Authorised Representative of Fortnum.

Courtney Cooper is an employee of Fairway Financial Advice Pty Ltd and has been appointed as an Authorised Representative of Fortnum.

Glenn, Neil and Courtney may be remunerated by one or more of the following methods. If any are relevant to the advice provided to you, further details will be set out in your advice document.

- Your Adviser may be paid a salary based on experience, capability and responsibilities within Fairway Financial Advice
- 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.
- Your Adviser may receive dividends and/or distributions as a shareholder of Fairway Financial Advice Pty Ltd and/or Fairway Too Pty Ltd.

Further 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 Fairway Financial Advice 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**).

Shareholding in Fortnum Financial Group Limited

Your Adviser or your Adviser's Principal Practice either personally or through an associated entity, may be a shareholder in Fortnum Financial Group Limited (**FFG**).

FFG has a majority shareholding in a number of entities.

FFG Shareholding in Innova Asset Management

FFG has a major shareholding of Innova Asset Management Pty Ltd, the asset manager for many of the investment options available through the e-Clipse Super and Super Pension Plan and the e-Clipse UMA Service.

Innova Asset Management Pty Ltd is also the asset manager for some Model Portfolios available through other administration platforms. If appropriate for your needs, your Adviser may recommend products provided by e-Clipse Online Pty Ltd or model portfolios available through an administration platform.

If so, Fortnum, FFG and consequently your Adviser or the Principal Practice (as shareholders in Fortnum and/or FFG) may benefit from these recommendations.

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.

Privacy Policy

In addition to the information provided in Part 1 of our Guide on how we collect, hold, use and disclose your personal information, and how we manage this information, further details around how Fairway Financial Advice manages privacy are available at <http://www.fairwayfinancial.com.au> and/or by calling us on (07) 3325 4775.

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 make payments to people or organisations that refer clients to us. We pay up to 30% of the total remuneration received by us in conjunction with the referral. Full details of any referral payments will be provided to you in any Statement of Advice or Record of Advice.