

FORTNUM PRIVATE WEALTH LTD

# FINANCIAL SERVICES GUIDE (FSG)

## Braeside Wealth v1.0

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



## Effective 07th February 2019

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**BRAESIDE WEALTH**



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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, Braeside Wealth and Lance Everard Swansbra (**Adviser**) who may provide you with the services described in this FSG.

Braeside Wealth, the business name for entity Sprout Advice Pty Limited (ABN 83 629 570 225) and its Advisers are Authorised Representatives of Fortnum Private Wealth Ltd. Braeside Wealth's Corporate Authorised Representative Number is **1274018**. This FSG contains important information about:

- Fortnum and Braeside Wealth 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;
- Braeside Wealth's advice process;
- how Fortnum, your Adviser or Principal Practice are paid for the financial advice and services provided to you, including Braeside Wealth'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.

References in this FSG to:

- "We", "our" and "us" means Fortnum, your Adviser or Braeside Wealth.
- "Advice document" means Statement of Advice or Record of Advice.

Braeside Wealth, 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 Braeside Wealth?

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.

## Braeside Wealth’s 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	Lance Swansbra
Deposit and payment products	✓
Debentures, stocks or bonds issued or proposed to be issued by a government	✓
Derivatives	x
Life Investment or life risk products	✓
Interests in managed schemes, including investor directed portfolio services	✓
Managed Discretionary Account (MDA) services	x
Retirement savings accounts	✓
Securities	✓
Superannuation	✓
Standard Margin Lending facility	✓

Braeside Wealth is registered with the Tax Practitioners’ Board as a Tax (Financial) Adviser, as is each Adviser who is registered as a Tax Adviser. This means that Lance Swansbra, 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	Lance Swansbra
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 Fund	✓
Personal insurance strategies	✓
Centrelink / DVA advice	✓
Retirement planning advice	✓
Estate planning advice	✓
Advice on ownership and structures eg Discretionary and family trusts	✓
Portfolio Review Services	✓
Ongoing advisory services	✓

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



**Braeside Wealth’s Advisers**

<b>Adviser Name</b>	<b>Lance Swansbra</b>
Experience	<b>15 years</b>
Qualifications	Bachelor of Commerce, CA, CFP®
Authorised Representative Number	301425
Memberships	Financial Planning Association of Australia and Institute of Chartered Accountants in Australia
Bio	<p>Lance has worked closely with many clients over the past 15 years to help them achieve what's most important to them. Lance holds a Bachelor of Commerce from the University of Newcastle, is a Certified Financial Planner® and a Chartered Accountant, Financial Planning Specialist. He also holds memberships with both the Institute of Chartered Accountants Australia and the Financial Planning Association of Australia.</p> <p>Originally from a country town West of Parkes, his family owned a farm in a small part of the world named Bogan Gate. Growing up in the country was a great experience, it taught Lance that it's important to be honest, to work hard and that helping others carries its own reward. It also taught Lance that life can be difficult and not always fair, that's why providing quality financial advice free from any conflict of interest is important.</p> <p>Lance is a family man with two young daughters. When he's not spending time with his family, you might find him at the beach where he's (slowly) learning to surf, supporting the Canberra Raiders or enjoying the company of good friends, food and wine.</p>

**Braeside Wealth’s advice process**

Braeside Wealth has a comprehensive advice process in place designed to ensure that the advice provided is suited to your needs and financial circumstances.

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 Braeside Wealth'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, Braeside Wealth 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. For any insurance products recommended, we dial down the commissions which means that your premium's may be discounted relative to the retail price. For investment products, we will also be receiving no commissions. In the unlikely event that commissions are received by our practice, we will rebate these to you.

## 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, 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, 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;
- 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.

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

In respect of 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 will rebate all of this to you.

## Remuneration received by Braeside Wealth

All fees for services paid by you and/or 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. Braeside Wealth may receive up to 100% of the fees or commissions received. Braeside Wealth 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, Braeside Wealth, and your Adviser.

Commissions may be paid by product and service providers to Fortnum, who, in turn, may pay a proportion of this to Braeside Wealth. If this occurs, Braeside Wealth will rebate this amount to the client (less any amount retained by Fortnum). 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

*Lance Swansbra is a director of Braeside Wealth and has been appointed as an authorised representative of Fortnum.*

*Lance Swansbra 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 and capability.

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 Braeside Wealth.

### **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 will not receive any referral payments for referrals we make.  
We will not make any referral payments for referrals we receive.

### **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.

### **Licensee Advice Fee**

If your Adviser recommends that you utilise a platform issued by BT (including BT Wrap and BT Panorama), Colonial First State, HUB24 or Netwealth, 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 Netwealth Account, your Licensee Advice Fee will be 0.06% pa of your account balance, or \$120, 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.

### **Payments from the Aviate Group**

Fortnum receives a referral payment of 1% of the purchase price of any property purchased as a result of a referral to the Aviate Group. Fortnum deducts its fee as detailed in the paragraph above headed 'Remuneration received by Braeside Wealth' and pays the balance to Braeside Wealth. Braeside Wealth will rebate this amount in full to the client (less any amount retained by Fortnum).

### **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 Braeside Wealth. Where applicable Braeside Wealth or Lance Swansbra 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](http://www.fortnum.com.au)

### What to do if you have a complaint

- 1) If you are unhappy with the advice or service provided by your Adviser, Braeside Wealth, 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	<a href="mailto:operations@fortnum.com.au">operations@fortnum.com.au</a>	(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	<a href="http://www.afca.org.au">www.afca.org.au</a>	<a href="mailto:info@afca.org.au">info@afca.org.au</a>	1800 931 678



G.P.O Box 3 Melbourne VIC 3001			
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- 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	<a href="http://www.asic.gov.au">www.asic.gov.au</a>	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, Braeside Wealth 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.