

# FINANCIAL SERVICES GUIDE

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**Fitzpatrick's Private Wealth S.A. Pty. Ltd.**  
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## ABOUT THIS DOCUMENT

This Financial Services Guide describes Fitzpatrick's Private Wealth S.A. Pty. Ltd.'s financial planning and advisory services to assist you to decide whether to use our services. It describes how we are remunerated, our authorising licensee, our professional indemnity insurance and how we handle any complaints you may have.

### What other documents are there?

When we provide you with personal financial product advice, you will receive a Statement of Advice (or in some circumstances a Record of Advice) which confirms our recommendations and how they will assist to achieve your goals. The Statement of Advice will also explain the risks of our advice and any remuneration we may receive if our recommendations are implemented.

If we recommend that you acquire a financial product, we will also provide you with a Product Disclosure Statement containing information about the product's features and risks. In combination, these documents will assist you in making an informed decision about whether to proceed with our recommendations.

If you agree to pay us an ongoing fee for our services with no expiry date and our engagement continues for more than 12 months you will receive a Fee Disclosure Statement annually. This will confirm the services you were entitled to receive during the past year and the services your adviser provided, as well as the fees paid to your adviser for these services. Details of the services you are entitled to receive are also in your Ongoing Engagement Agreement. If you joined us as a client after 1 July 2013, at least every second year your adviser will ask you to confirm in writing that you wish to continue to engage us going forward. Our engagement will cease if you do not provide your confirmation for this to continue.

## WHAT WE ARE AUTHORISED TO DO?

At the heart of our business is our passion to provide personalised, successful, long term strategic financial planning to our clients.

To give you suitable advice, your adviser will work with you to determine your individual financial objectives and needs. To enable your adviser to work with you, you will need to provide relevant information as requested by your adviser. You are not obligated to provide this information, but if you decline to do so your adviser either may not be able to provide advice or the advice may not be entirely appropriate.

Your adviser can liaise with your other professional advisers in relation to matters such as tax, insurance, risk management and estate planning. We are not, however, accountants, nor are we registered tax agents or lawyers.

### The detail

Fitzpatrick's Private Wealth S.A. Pty. Ltd. is an authorised representative of Fitzpatrick's Private Wealth Pty Ltd, and can provide advice to and apply on your behalf for the issue, variation or disposal of the following kinds of financial products:

- Life insurance
- Superannuation
- Securities
- Managed investment schemes
- Investor directed portfolio services
- Managed discretionary account services
- Retirement savings accounts
- Derivatives
- Deposit and payment products
- Government debentures, stocks or bonds
- Standard Margin Lending\*.

\*Joshua Fileti is authorised to provide advice in all areas listed above except for Margin Lending.

## ABOUT FITZPATRICKS PRIVATE WEALTH S.A. PTY. LTD.

Fitzpatricks Private Wealth S.A. Pty. Ltd employs the following experienced financial advisers, who are Authorised Representatives of Fitzpatricks Private Wealth Pty Ltd:

- **Shane Case** (Authorised Representative number 239360)  
director/shareholder
- **Joshua Fileti** (Authorised Representative number 1002826)

## OUR ADVICE PROCESS

This will begin with initial meetings with you to assess if your personal and financial goals and objectives can be met through our professional services. The discussions will also help you to determine if you wish to engage us to assist you to achieve those goals and objectives.

It is important for you to understand that the discussions in our initial meetings will only be in general terms. This means you should not act or make any decisions until you receive personal advice. This will occur after we have thoroughly investigated and considered viable strategies and products that aim to meet your goals and objectives as agreed with you.

## REVIEWS

We cannot promise that the recommended strategy and your investments will remain suitable for you over time. Things change, your personal circumstances, legislation and more suitable investments for you may become available.

For this reason, your adviser may recommend that you engage us to review our advice on an ongoing basis and we strongly recommend you consider this. Likewise, you should contact your adviser whenever your circumstances change to see if your strategy or investments need to be adjusted.

## HOW DO YOU INSTRUCT US?

We act for you when providing our services. You may give us instructions in writing, by post, fax or email. Sometimes your adviser will be happy for you to tell them what you want to do over the phone or in person.

## FEES AND COSTS

### Fees for our Advice

The advice fee is calculated based on your individual needs and requirements, and the extent of financial services provided to you. Before commencing work for you, we will discuss and agree with you the scope of the services that you have asked us to provide, the cost of providing those services and the method of payment. We will confirm this in an Engagement Agreement.

Other fees for any advice or work carried out by other professionals, after consultation and agreement with you, will be separately invoiced to you by that other professional.

## Initial Advice

The work undertaken to explore your current financial situation, your goals and objectives, and assessing the suitability of options for you is extensive. The minimum fee for our Initial Advice service is \$880 including GST.

## Ongoing Service

Establishing your financial strategy is important. Equally important is ongoing advice to cater for changes in your personal circumstances, legislation, economic and financial conditions.

The ongoing service we provide to you will depend on your situation and requirements. We charge a minimum fee of \$1,650 per annum (including GST) or \$137.50 per month (including GST).

Alternatively, we may calculate the Ongoing Advice Fees as a percentage of the value of your investments, using a tiered percentage approach. Our ongoing advice fee is a tiered percentage of the average daily value of your investment portfolio during the preceding month. The fees are charged monthly in arrears based on the average daily value of your portfolio during the preceding month. The table below shows the tiers and illustrates how the fee would work for an account balance of \$1,250,000.

Value of portfolio	Annual Fee* %	Example Fee based on \$1,250,000
Up to \$500,000	1.10%	\$5,500
\$500,001 - \$2,500,000	0.77%	\$5,775
\$2,500,001 - \$5,000,000	0.55%	
\$5,000,001 +	0.33%	
	<b>Total</b>	<b>\$11,275</b>
		<b>\$939.58 per month</b>

\* GST inclusive

## Personal Insurance Services

We accept commissions from the insurers for the personal insurance advice and services we provide to you. The amount varies between insurers. As an indication, we receive up to 77% of the first year's premium to reflect the amount of work we undertake when advising on and arranging the insurance and up to 33% of the ongoing annual premium thereafter, both excluding taxes and statutory charges.

As part of the Life Insurance Framework Reforms legislation which commenced 1 January 2018, the above amounts will reduce from 1 January 2020 to a maximum 66% of the first year's premium and up to 33% (including GST) of the ongoing annual premium.

For insurance products purchased prior to 1 January 2018, we may continue to be paid commissions in the same manner as what would have been previously been advised to you at the time of obtaining the product(s). These commissions are included in the premium for the policy.

The table below illustrates how our commission would currently be calculated for a policy costing \$2,000 in year 1 and increasing to \$2,200 in year 2.

	Year 1		Year 2	
<b>Premium</b>	\$2,000		\$2,200	
<b>Upfront Commission</b>	77%	\$1,540	-	-
<b>Ongoing Commission</b>	-	-	33%	\$726

Where these commissions can be negotiated with the product provider your adviser will agree the amount of up-front and ongoing commissions with you. These will also be set out in your advice document.

## Referral Fees

Where you have been referred to us by Zobel Group prior to 30 November 2018, Fitzpatricks Private Wealth S.A. Pty. Ltd. pays a referral fee to Zobel Group of up to 15% inc GST of any initial billings, ongoing service fees or insurance commissions. An example of this is as follows

	Fitzpatricks Private Wealth S.A. Pty. Ltd.	Zobel Group
Initial Fee of \$4,950*	\$4,280	\$742
Ongoing Fee of \$4,400*	\$3,740	\$660
<b>Total</b>	<b>\$8,020</b>	<b>\$1,402</b>

\*Including GST

## ADVISER REMUNERATION

Shane Case is an employee of Fitzpatricks Private Wealth S.A. Pty. Ltd and receives a salary. In addition, as an owner of Fitzpatricks Private Wealth S.A. Pty. Ltd., Shane is also entitled to a share of dividends and profits of Fitzpatricks Private Wealth S.A. Pty. Ltd.

Joshua Fileti operates as a contractor providing services to Fitzpatricks Private Wealth S.A. Pty. Ltd. He is entitled to 100% of all revenue generated by him after fees payable to our licensee have been paid.

## RELATIONSHIPS AND ASSOCIATIONS

### Business Relationships

Fitzpatricks Private Wealth SA. Pty Ltd is 50 percent owned by Complete Business & Accounting Services (CBAS) in Port Lincoln. CBAS receive 50% of profits from the operation of the business after expenses.

### Our Authorising Licensee

We pay fees to our authorising licensee, Fitzpatricks Private Wealth Pty Limited, a combination of a flat fee to an agreed amount, and up to 12.5% plus GST of all fees and commissions we receive for our services, subject to agreed minimums and maximums.

## **Fitzpatricks Financial Group**

Fitzpatricks Private Wealth Pty Ltd is part of the Fitzpatricks Financial Group and as such is associated with Atrium Investment Management Pty Ltd ABN 17 137 088 745 (Atrium). Atrium issues products and has investment management mandates for financial products issued by other financial institutions. Should an investment recommendation be required, we may recommend that you invest in an Atrium issued or managed product.

Fitzpatricks Financial Group retains all profit from these products and services. Both we and Fitzpatricks Private Wealth and our respective families, companies and trusts may have an interest in the investments or securities included in your portfolio.

## **Business Arrangements**

For clients who received investment advice and services before 1 July 2014, Fitzpatricks Private Wealth and its associates may receive payments based on the total volume of funds invested in some products issued by Colonial First State Group, Macquarie Group, Westpac Group (BT Portfolio Services and Asgard Capital Management) and IOOF Group. These may be either a small percentage of the total funds invested, or the administration fees charged to our clients or a combination of these. Similarly, for clients to whom we provided life insurance advice and services before 1 January 2018, Fitzpatricks Private Wealth has arrangements with BT Life and Macquarie Life (now owned by Zurich Life), with any payments received based on either total in-force premium or total new business premium, and/or other combination.

We do not receive these payments; they are used to fund Fitzpatricks Private Wealth's services.

## **WHAT ELSE SHOULD YOU UNDERSTAND?**

### **Professional Indemnity Insurance**

Fitzpatricks Private Wealth holds a professional indemnity insurance policy, which covers claims against us for errors or mistakes relating to our financial planning services. This insurance meets the requirements of the Corporations Act and covers the services provided by us for advice provided whilst authorised by Fitzpatricks Private Wealth Pty Ltd.

### **Privacy**

We are committed to protecting your privacy. We use the information you provide us to advise you on your financial circumstances, goals and strategies. We provide your information to the product issuers with whom you choose to deal with (and their representatives). We do not trade, rent or sell your information. We will only disclose your information to recipients who are either regulated by laws which protect your information in a way that is similar to the *Privacy Act 1988* (Cth) or who agree to protect your information in that way.

If you don't provide us with full information, we can't properly advise or assist you with your financial service needs. For more information about how to access the information we hold about you, how to have it corrected and how to complain if you think we have breached the privacy law, ask us for a copy of our Privacy Policy by contacting your Adviser or visiting our website at [www.fitz.com.au](http://www.fitz.com.au)

## Anti-Money Laundering and Counter-Terrorism Financing

As a reporting entity under the Anti-Money Laundering and Counter-Terrorism Financing Act, we are committed to ensuring our services do not facilitate or are associated with money laundering or terrorism financing practices. Before we arrange a financial product for you, we will need to verify your identity by viewing your identification documents (e.g. passport, driver's licence). We will retain copies of this information and assure you that this information will be held securely.

## Complaints

If you have a complaint which you cannot resolve with your adviser, you may contact Fitzpatrick's Private Wealth. Please contact us as follows:

Compliance Manager  
Fitzpatrick's Private Wealth Pty Ltd

Phone: 07 3105 6500  
Email: Professional.Standards@ftz.com.au  
Mail: GPO Box 1193, Sydney NSW 2000

If you are dissatisfied with the response, you may raise the matter directly with the Australian Financial Complaints Authority (AFCA). AFCA provides fair and independent financial services complaint resolution that is free to consumers if you have a complaint that is not satisfied within 45 days of raising it. AFCA contact details are:

Telephone: 1800 931 678  
Email: info@afca.org.au  
Web: www.afca.org.au  
Post: Australian Financial Complaints Authority  
GPO Box 3, Melbourne VIC 3001

There are some complaints which AFCA are unable to deal with and AFCA will tell you if this is the case.

## Licensee Contact details

### Fitzpatrick's Private Wealth Pty Ltd

Telephone: 02 9248 8000  
Fax: 02 9248 8001  
Email: admin@ftz.com.au  
Office: GPO Box 1193, Sydney NSW 2000

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