



GARNAUT
PRIVATE WEALTH

Version 27 | 4 February 2019

Financial Services Guide

For financial services provided by:

Garnaut Private Wealth Pty Ltd

ABN 42 097 860 574

Australian Financial Services Licensee (AFSL No 238326)

HEAD OFFICE

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Purpose of this document

This Financial Services Guide (“FSG”) contains **important information** about:

- The financial services and products we offer;
- Our fees;
- How we and our associates are paid, and any interests, associations or relationships that could affect our advice;
- Our internal and external dispute resolution procedures and how you can access them;
- Our privacy policy.

What you can expect at Garnaut Private Wealth Pty Ltd

Garnaut Private Wealth Pty Ltd is part of the Garnaut Group of companies which was founded in 1986.

To make your introduction to Garnaut Private Wealth Pty Ltd easier, we have answered some of the most commonly asked questions for you. You should feel comfortable exploring any of these questions with your adviser as you work your way through the financial planning process.

This FSG has been produced by Garnaut Private Wealth Pty Ltd (**GPW, ‘we’, ‘us’, and ‘our’**).



Our advice

Who will be responsible for the advice given to us?

Your adviser will be acting as a representative of Garnaut Private Wealth Pty Ltd, an Australian Financial Services Licensee (AFSL 238326). Garnaut Private Wealth Pty Ltd is therefore responsible to you for any investment advisory services your adviser provides.

What advisory services are available to us?

We are authorised to provide the following financial services:

- Investments (including via Superannuation)
- Balance Sheet Analysis
- Asset Allocation
- Cash Flow Management
- Pre and Post Retirement Planning
- Superannuation & Pensions
- Taxation Planning
- Wealth Accumulation
- Wealth Preservation Strategies
- Business and Personal Insurance (Risk Management)
- Margin Lending
- Home Loans, Commercial Loans & Leasing and Hire Purchase Arrangements *

* These services are provided by employee representatives of Garnaut Private Wealth Pty Ltd under the Australian Credit Licence held by Garnaut Private Wealth Pty Ltd (ACL 238326). We will provide you with more detailed information concerning any fees and/or commissions receivable in documentation pertaining to any finance application.

We provide advice on many types of financial products including:

- Cash Management Accounts
- Term Deposits
- Debentures
- Managed Investments (Australian and International)
- Hedging Strategy Trusts
- Fixed Interest Trusts
- Mortgage Trusts
- Listed Securities (Shares and Hybrids)



- Unlisted Property Trusts
- Listed Property Trusts (now known as Real Estate Investment Trusts)
- Property Syndicates
- Promissory Notes
- Personal Insurance Products
- Margin Lending Facilities
- Retirement Savings accounts (Superannuation)

Your adviser will explain the range of products they can advise on and the range of products available to you.

How is the advice provided to us?

If you wish to obtain personal advice from us, your adviser will initially provide advice to you and any significant subsequent advice will be provided to you in one or more of the following documents:

- Statement of Advice (SoA)
- Statement of Advice (Incorporation by Reference)
- Record of Advice (RoA)
- Product Disclosure Statement (PDS)
- Fee Disclosure Statement (FDS)

A SoA will set out the advice that has been personalised to your specific circumstances and provide relevant disclosures including any fees and/or commissions. If further ongoing advice is provided after a SoA has been issued, your adviser will issue you with either a Statement of Advice (Incorporation by Reference) or an RoA to avoid duplication of information already provided in previous advice documents.

In the circumstance where a financial product has been recommended to you, a PDS will be provided detailing information on the financial product including features, benefits, risks, conditions, fees and other costs.

When you enter into an Ongoing Fee Arrangement with your adviser for a period greater than 12 months, you will be provided with an FDS which will detail the services you were entitled to receive, the services you actually received and the fees you paid during the period.

You may request a copy of any advice document up to seven years after the advice has been provided. If we provide advice to you, we are required under the law to act in your best interests.

You should inform us of any changes to your circumstances whenever you seek additional advice from us.



What types of advice are provided to us?

Holistic Advice

Garnaut Private Wealth Pty Ltd undertakes a holistic view to your financial affairs. We look at each aspect of your financial situation and bring to your attention issues or areas which you may not have previously considered. If there is an area which may fall outside our scope as your Financial Planner, such as the preparation of a Will, we will refer you to a professional who specialises in this area.

Event Driven Advice

Garnaut Private Wealth Pty Ltd will deal with specific areas of your financial position. Normally event driven, you may instruct us to consider specific areas such as:-

- Gearing – positive & negative
- Growth Investments
- Regular Investment
- Income Producing Investments
- Retirement Planning
- Risk Management
- Superannuation Investment Advice
- Transfer of business wealth to personal wealth
- Wealth preservation
- Tax effective income streams
- Specific Investment Sectors: - Equities, Property, Fixed Interest.

General Advice

Garnaut Private Wealth Pty Ltd offers both personal and general advice. You should be aware that when advice is identified as general advice, it will not necessarily be appropriate for you. That is why we recommend you seek a personalised review of your investment objectives, particular needs and circumstances.

Nil Advice

Garnaut Private Wealth Pty Ltd offers a Nil Advice service. You can use Garnaut Private Wealth Pty Ltd to access selected investments at your discretion. You, as the client, instruct us to invest your funds in nominated investments selected by you. We will not provide financial product advice in relation to your investments.

We recommend you regularly review your financial strategy and investments with us to ensure they remain appropriate for your circumstances. Clients are encouraged to contact us at any time for an interim review, or to answer any queries they may have.



Will the advice be suitable to our investment needs and financial circumstances?

Yes, unless the advice is identified as general advice or you have asked us to provide a nil advice service. To give quality personal advice, we need to find out your individual investment objectives, financial situation and needs before we recommend any investment to you.

You have the right not to divulge this information to us, if you do not wish to do so. In that case, we are required to warn you about possible consequences of us not having your full personal information.

You may instruct us to offer you advice only in regard to a limited circumstance or product. We will warn you about the possible consequences of providing limited advice. You should read the warnings carefully.

Is the advice restricted in any way?

Self Managed Superannuation Fund

Garnaut Private Wealth Pty Ltd does not provide advice on maintaining your roles and responsibilities as Trustees of your existing Self Managed Superannuation Fund (SMSF). It is the responsibility of the directors of the trustee of an SMSF to ensure that the operation of the fund and the conduct of the trustee are always compliant with superannuation and taxation laws and rulings.

Approved Products & Services List

Garnaut Private Wealth Pty Ltd will only advise on products and services that are listed on our Approved Products and Services List. This list is regularly reviewed and updated as the result of research on a wide range of financial products of leading financial product issuers. From this, only the most appropriate products and services are provided to the majority of our clients.

As any investment decision carries with it a certain degree of risk, you should observe any warnings and consider any significant risks set out in our advice prior to implementing any of our recommendations. We also recommend that you seek independent legal and tax advice about our recommendations.



Do you have any associations that might influence the advice?

Garnaut Private Wealth Pty Ltd played a primary role in the establishment of **PremiumChoice Portfolio Services Ltd** (ABN 16 097 636 023) (as trustee for the PC Trust) (“PremiumChoice”), a portfolio administration service. PremiumChoice is available to High Net Worth individuals and as such is a unique administration service offered to clients of GPW.

Garnaut Private Wealth receive sponsorship and marketing assistance from MLC totalling \$75,000 (incl GST). This allowance is provided for conferences, client gatherings and seminar workshops.

Related entities associated with Garnaut Private Wealth Pty Ltd are significant shareholders in Newgate Capital Partners Pty Ltd.

Fawkner Property Pty Ltd is wholly owned by Garnaut related parties.

Details of associations will be appropriately disclosed in the Statement of Advice or Record of Advice (as appropriate).

What information do you maintain on our file and can we examine our file?

Your adviser will maintain a record of your personal profile which includes details of your investment objectives, financial situation and needs. If you wish to examine your file, you should ask us, and arrangements will be made for you to do so.

At Garnaut Private Wealth Pty Ltd we recognise your privacy is important. We are bound by and are committed to supporting our obligations under the *Privacy Act 1988* (Cth) (Privacy Act) and in particular the requirements of the Australian Privacy Principles (APPs).

For detailed information on how we handle your personal information, please see our Privacy Policy. This Policy is located at www.garnaut.com.au

Record Keeping

In accordance with Section 912G Garnaut Private Wealth Pty Ltd must keep a copy of documentation for a period of 7 years.

Documents are destroyed after expiry of the 7 year period.



Fees, Remuneration and other benefits

How will we pay for the services provided?

Garnaut Private Wealth Pty Ltd will discuss with you how we will be paid prior to providing any services. Garnaut Private Wealth Pty Ltd offers a wide range of service levels and fee structures that can be tailored to suit your circumstances. Fees may be comprised of the following:

- A fee based on the time we spend developing or implementing your plan
- An agreed initial fee
- An agreed on going service fee e.g. Asset Under Management fee
- If a related company holds your money in trust pending purchase of a financial product, the related company receives the interest earned

Remuneration received by Garnaut Private Wealth Pty Ltd may include:

- A payment of up to 4.29% on Contribution (Entry) Fees and up to 1.10% on Ongoing Adviser Service Fees for PremiumChoice products.

Garnaut Private Wealth Pty Ltd will provide full details about our fees and any payments made to us by product issuers when we provide our advice to you. This will be outlined in the Statement of Advice and/or Record of Advice. You have the right to request further information about the remuneration we receive, so if you require further information about the service levels we offer, please contact your adviser.

Below is a summary of common methods of fees charged, the fees are inclusive of Goods and Services Tax (GST).

Fee for Service (including Plan Fees)	
Managing Partner	\$ 695 per hour
Partner	\$ 495 per hour
Senior Associate	\$ 395 per hour
Research Associate	\$ 250 per hour
Private Wealth Adviser	\$ 230 per hour
Client Service Manager	\$ 120 per hour

Initial (Entry) Fee (Asset based Fee)	Up to 4.29% p.a. of each contribution
Ongoing Adviser Service Fee (Asset based Fee)	Up to 1.10% p.a. of Assets under Management

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Commissions for Life Risk Insurance Products	
Initial Commission	0 – 121% for the first year’s annual premiums
Ongoing Commission	0 – 35% of the annual premium paid

Based on individual circumstances and the commensurable amount of work involved one of or a combination of methods of charging as outlined above will be used. We will provide exact dollar amounts and percentages of commissions and other benefits received when we provide personal advice to you.

Garnaut Private Wealth Pty Ltd may be eligible to participate in various incentive programs with the potential to receive non - pecuniary benefits. These benefits may take various forms including but not limited to holidays, tickets to events etc. Garnaut Private Wealth may receive financial, marketing and training assistance from providers.

Garnaut Private Wealth Pty Ltd may also receive remuneration from different fund managers or product issuers, if that particular fund or product is being recommended all relevant details of the remuneration will be appropriately disclosed in the Statement of Advice or Record of Advice.

PremiumChoice Administration Service Fees – Series 2								
Administration Fee	The PremiumChoice administration fee is based on your account balance and has two parts;							
	A tiered percentage fee: <table border="1"><thead><tr><th>Account Balance</th><th>Fee (% pa)</th></tr></thead><tbody><tr><td>First \$200,000</td><td>0.40</td></tr><tr><td>Next \$300,000</td><td>0.15</td></tr><tr><td>Over \$500,000</td><td>0.03</td></tr></tbody></table>	Account Balance	Fee (% pa)	First \$200,000	0.40	Next \$300,000	0.15	Over \$500,000
Account Balance	Fee (% pa)							
First \$200,000	0.40							
Next \$300,000	0.15							
Over \$500,000	0.03							
	Plus a flat percentage fee: <ul style="list-style-type: none">• 0.10% pa on the portion of your account balance in managed investments or SMA options or term deposits not managed by the NAB Group, and• 0.15% pa on the portion of your account balance invested in listed investments.							
	The minimum Administration fee you may pay is \$375 pa. The maximum Administration fee you may pay is the lesser of \$2,400pa or your share of the linked family group cap of \$3,000 pa (where applicable).							



How much is our adviser paid?

Garnaut Private Wealth Pty Ltd advisers are remunerated by way of a salary and may be subject to bonuses dependant on the attainment of key performance indicators. Advisers do not benefit directly from the receipt of commission by the Licensee. Any form of remuneration other than the above will be declared by the adviser.

Your adviser will provide the information to you when we make specific recommendations. It will be contained in the 'Disclosure of Remuneration' section of the Statement of Advice or the Record of Advice.

Will anyone be paid for referring us to you?

Should you be referred to Garnaut Private Wealth Pty Ltd by a third party, for example by an accountant, the third party will, in some cases, receive a fee for the referral. You will receive more detailed information concerning any referral fee or commission from the person who referred you to Garnaut Private Wealth Pty Ltd.

Other

How can we give instructions?

You may specify how you would like to give us instructions, for example, by telephone, fax, email or other means.



Who can we complain to if we have a complaint about the advisory service?

If you have any complaint about the service provided to you, you should take the following steps:

1. Contact your adviser and tell them about your complaint
2. If your complaint is not satisfactorily resolved within 3 days, please contact :

Complaints Officer
Garnaut Private Wealth Pty Ltd
Level 8, 468 St Kilda Road, MELBOURNE VIC 3004

Telephone: (03) 9856 4500
Facsimile: (03) 9820 8485
Email: compliance@garnaut.com.au

We will try to resolve your complaint quickly and fairly.

3. If you still do not get a satisfactory outcome within 45 days, you have the right to complain to our external resolution scheme:

Australian Financial Complaints Authority
GPO Box 3
MELBOURNE, VIC, 3004

Telephone: 1800 931 678
Website: www.afca.org.au

4. You can contact the Australian Securities & Investments Commission (ASIC) at their Free call Infoline 1300 300 630 to find out which industry complaints scheme may be available to assist you to settle a complaint that cannot be dealt with by CIO.

Professional Indemnity Insurance

We hold Professional Indemnity Insurance cover for the activities conducted under our Australian Financial Services Licence (AFSL) and Australian Credit Licence (ACL). The insurance will cover claims made in relation to the conduct of authorised representatives, representatives and employees of the Licensee who no longer work for the Licensee (but who did at the time of the relevant conduct).

We believe our Professional Indemnity Insurance cover satisfies the requirements of s. 912B of the Corporations Act.