

F O R N A R O

A D V I C E

FINANCIAL SERVICES GUIDE

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Responsible Entity

Fornaro Advice Pty Ltd
Australian Financial Services Licensee AFSL 434649
ABN 53 161 471 441
208 Constance Street | PO Box 1508
Fortitude Valley QLD 4006

The principal contact for Fornaro Advice Pty Ltd is Tony Fornaro (Responsible Manager) who can be contacted on the Fornaro Advice Pty Ltd contact details.

Purpose

Before providing you with financial advice, services or product recommendations, we must provide you with important information about who we are, what services we offer and how we are paid for the services and advice we provide.

Who are We

Fornaro Advice Pty Ltd is a privately owned and operated Australian Financial Services Licensee. Fornaro Advice is wholly owned by Tony Fornaro, Founder & Head of Advice at Fornaro; this means the Directors of Fornaro Advice are the same as Fornaro, ensuring a consistent and accountable approach. Your Fornaro Financial Adviser is an Authorised Representative of Fornaro Advice Pty Ltd. This Financial Services Guide is given to you by your Fornaro Financial Adviser with the authority of Fornaro Advice Pty Ltd.

Other entities related to Fornaro Advice Pty Ltd and the Fornaro Family include:

- Fornaro Finance Pty Ltd (ACN 601 442 755), which is licenced to provide credit services (mortgage & finance broking) through Connective Credit Services Pty Ltd ACL 389328.
- Fornaro Accountants Pty Ltd (ACN 108 095 049), which provides professional accounting and tax compliance services. Liability limited by a scheme approved under Professional Standards Legislation.
- Eleven Property Pty Ltd (ACN 162 281 290), which provides property management and buyer representative and property purchase services.

Fornaro Advice Pty Ltd clients are under no obligation to engage with any related entities of Fornaro Advice Pty Ltd.

Fornaro Financial Advisers

Tony Fornaro | B.Bus, CPA, DFS, Dip.FMBM, C.Dec
Authorised Representative 300485

Tony is a Certified Practising Accountant holding a Bachelor of Business with an Extended major in Accounting. He is also a qualified Financial Adviser with a Diploma of Financial Services (Financial Planning), a qualified Mortgage Broker with a Diploma of Mortgage Broking Management and a Commissioner for Declarations. Tony is also qualified to provide specific Self Managed Superannuation advice. He has more than 20 years experience within the financial services industry and is a highly regarded financial expert.

Prior to providing any personalised financial advice products and/or services Fornaro Financial Advisers are required to provide you with a copy of this FSG along with their Adviser Profile.

The Adviser Profile contains important information about your Financial Adviser. This includes their Authorised Representative number, accreditations, qualifications and experience, areas of advice and types of financial services they can provide, details of how they get paid and fees that you may be charged.

If you have not received an Adviser Profile, please ask your Fornaro Financial Adviser for a copy or contact Fornaro Advice Pty Ltd.

Advice & Services provided

Financial Advice

Fornaro Advice Authorised Representatives are authorised to provide advice relating to:

- Financial strategies & wealth creation
- Superannuation strategies
- Self managed superannuation advice (Specialist SMSF Advisers only)
- Retirement planning & savings strategies
- Personal insurances
- Asset protection
- Investment strategy & advice
- Cashflow management
- Consequences in relation to tax (financial) advice

Financial Product Advice

Fornaro Authorised Representatives are authorised to provide advice relating to financial products

- Basic deposit products
- Non-basic deposit products
- Government issued debentures, stocks or bonds
- Life insurance
- Total and permanent disability insurance
- Trauma insurance
- Income protection insurance

- Interests in managed investment schemes including IDPs
- Retirement savings accounts
- Superannuation funds
- Self managed superannuation funds
- Retirement savings accounts
- Managed investments

Fornaro Advice Pty Ltd maintains an Approved Product List (APL). Subject to attaining required accreditation, your Financial Adviser is able to recommend any product on the Fornaro Advice APL. There may be some instances where your Financial Adviser will need to consider products outside of the APL. In these cases, your Financial Adviser will follow Fornaro Advice's policy on product recommendations outside of the APL.

If Fornaro Advice provide personal advice to you, we are required under the law to act in your best interests and prioritise your interests ahead of our own.

How we provide you with Advice

We will provide you with a Statement of Advice (SOA) whenever we provide you with any personal advice which takes into account your objectives, financial situations and or needs. The SOA will contain the specific advice, the basis on which it is given and information about fees, commissions and associations which may have influenced the provision of the advice. If we give you further advice, or when no financial product is recommended, a Record of Advice (ROA) may be provided to you instead of a SOA.

You will always receive a copy of your SOA or ROA for your records. You will also be required to provide written consent that you have received and understand the advice provided to you. Your Financial Adviser will only proceed with implementing their recommendations once written consent and an Authority to Proceed (ATP) has been signed by and received from you.

In the event we make a recommendation to acquire a particular financial product or offer to issue or arrange a financial product, we must also provide you with a Product Disclosure Statement containing information about the particular product which will enable you to make an informed decision in relation to the acquisition of that product.

At all times your Financial Adviser will act solely on your express written instructions. They will seek your signed Authority before proceeding with executing any financial advice on your behalf.

Documents you may receive

If you decide to obtain personal financial advice, your Financial Adviser will need to determine your needs, objectives and relevant financial circumstances.

At the initial advice appointment, your Financial Adviser will typically gather the relevant information by using a client data

collection form. You will be asked to provide accurate information about your personal and financial situation and keep your Financial Adviser informed of any changes to your relevant circumstances. Your Financial Adviser will also need to verify your identity. When your adviser provides personal financial advice to you, you may receive one or more of the following documents:

- Financial Planning Proposal
- Statement of Advice (SOA)
- Statement of Further Advice (SOFA)
- Record of Advice (ROA)
- Record of Meeting
- Product Disclosure Statement (PDS)
- Fee Disclosure Statement (FDS)
- Renewal Notice

The SOA will set out the advice that has been tailored to your specific circumstances and provide you with details of all relevant disclosures including details of any remuneration payable.

Where you receive ongoing or further advice a SOFA and ROA may be provided.

A Record of Meeting will be provided following a financial review meeting with your Financial Adviser. The Record of Meeting will detail your discussion and any agreed actions.

A PDS will be provided if a product recommendation is made and includes detailed information on the financial product including features, benefits, conditions, costs and cooling off rights (if applicable).

An FDS will be issued to you in instances where you enter into an Ongoing Fee Arrangement with your Financial Adviser for a period greater than 12 months. The FDS will contain information about the services you were entitled to receive, the services you actually received and the fees you paid during the period. The FDS will be provided to you annually.

Should you commence an ongoing fee arrangement for the first time after 1 July 2013 (or in circumstances where the ongoing fee arrangement is significantly varied after 1 July 2013), your Financial Adviser will also issue a Renewal Notice every 2 years. The Renewal Notice will give you the option of renewing the ongoing fee arrangement.

You may request in writing a copy of any advice document up to seven (7) years after the advice has been given.

How we are paid

Fornaro Financial Advisers do not provide any financial advice or undertake any work without providing you with a detailed written proposal and fee structure and obtaining your prior written consent to proceed.

The cost of providing a financial product or service to you will depend on the nature and complexity the advice, financial product and/or service provided. Generally, whenever your

Financial Adviser provides a recommendation for a financial product or service, your Financial Adviser may be remunerated through either:

- An initial fee for service; or
- An ongoing fee for service; or
- A contribution fee or implementation fee; or
- Commission payments from product providers where applicable; or A combination of any of the above.

All fees or commissions are paid directly to Fornaro Advice Pty Ltd and then distributed to the relevant Fornaro Financial Adviser, minus any portion retained by Fornaro Advice Pty Ltd.

Initial Fees

We may charge a fee for our service in conjunction with, or instead of, commission. Your initial meeting with your Fornaro Financial Adviser is complementary. This meeting is an opportunity for your Financial Adviser to understand the scope of your requirements, identify if they can assist you with your requirements and be able to prepare a fee proposal for your approval. This meeting is also an opportunity for you to determine whether you think your Financial Adviser is someone you would like to work with. At this initial meeting no personal advice will be provided by your Financial Adviser and all information shared is to be considered General Advice only. Should you decide to proceed with engaging the services of your Financial Adviser we request your written approval of the scope of advice and fee proposal presented to you before we proceed any further.

The initial upfront advice and Statement of Advice preparation fee may range between \$985 to \$17,589 (incl GST), depending on the advice you have sought and complexity of the Statement of Advice required. In most instances the initial upfront advice & Statement of Advice preparation fee can be charged to your superannuation account. In instances where you are paying your advice fees direct you must pay within fourteen (14) days of the date of the tax invoice being issued to you.

For any work or meetings undertaken by your Financial Adviser outside of the agreed scope of work you may be charged between \$440 to \$660 (incl GST) per hour. Your Financial Adviser will inform you prior should a charge per hour be relevant to your situation and seek your prior written approval.

We may also receive a commission payment from the provider on certain Risk Insurance products you elect to obtain resulting from your Financial Adviser's recommendations. The initial commission received is up to 120% of the annual premium payable by you. For example a \$1,000 annual insurance premium would equate to an upfront commission payment of up to \$1,200.

Ongoing Fees

We may charge you an annual ongoing management service fee should you elect to engage your Financial Adviser on an ongoing basis. This fee is determined based on the complexity

of managing your financial strategy on an ongoing basis. Your annual ongoing management fee may range between \$3,564 to \$14,630 (incl GST). In most instances the ongoing management fees can be charged to your superannuation account. In instances where you are paying your advice fees direct you must pay within fourteen (14) days of the date of the tax invoice being issued to you.

We may also receive an annual commission payment from the provider on certain Risk Insurance products you elect to obtain resulting from your Financial Adviser's recommendations. The ongoing commission received is up to 40% of the annual premium payable by you. For example a \$1,000 annual insurance premium would equate to an annual commission payment of up to \$400. Further details about commissions and or other benefits your adviser receives for recommending investments will be available to you when specific recommendations are made in the Statement of Advice or Record of Advice.

Other forms of remuneration or benefits

Fornaro Advice Pty Ltd and/or its Financial Advisers may receive non-monetary benefits where:

- The amount is less than \$300 and identical or similar benefits are not given on a frequent basis;
- The benefit has a genuine education or training purpose (including attendance to conferences) and is relevant to providing financial product advice; and/or
- The benefit consists of the provision of information technology software or support and is related to the provision of financial product advice in relation to the financial products issued or sold by the benefit provider

Payments or benefits received are disclosed in a register. A copy of the register is available upon request.

Our Relationships & Conflicts of Interest Disclosures

Fornaro Advice is privately owned. Neither your Financial Adviser nor the Licensee have any formal association or relationship with the issuers of financial products that might reasonably be expected to be capable of influencing them in the provision of financial services.

Fornaro Advice Pty Ltd is part of Fornaro which aims to provide a holistic and integrated service offering to our clients by offering multiple financial and professional services. This integrated structure aims to provide our clients with the benefit of a value and service focused relationship with us. This structure also means that Fornaro benefits financially from engaging clients across a range of professional services.

Your Financial Adviser may recommend you engage Fornaro Finance Pty Ltd to undertake your lending requirements. Your Fornaro Mortgage & Finance Broker (who may also be your

Financial Adviser) may receive an upfront commission of up to 1.2% (incl GST) of your lending amount and they may also receive an annual trailing payment of up to 0.385% (incl GST) of the loan balance from the relevant Financial Institution. Fornaro Mortgage & Finance Brokers provide you with credit services under Connective Credit Services Pty Ltd (ACL 389328). Any advice or service relating to credit facilities is beyond the scope of Fornaro Advice Pty Ltd, and instead is the responsibility of Connective Credit Services Pty Ltd. You are under no obligation to use a Fornaro Mortgage & Finance Broker.

Your Financial Adviser may also recommend you engage Fornaro Accountants Pty Ltd to undertake your accounting and tax compliance requirements. Fornaro Accountants Pty Ltd is a division of Fornaro (Liability limited by a scheme approved under Professional Standards Legislation). Fornaro Accountants Pty Ltd will receive professional fees directly from you or the relevant entity for any professional work completed. You will be provided with a fee proposal and costs agreement prior to any work being completed or expense incurred. You are under no obligation to use Fornaro Accountants Pty Ltd.

Fornaro Advice Pty Ltd and Fornaro have a relationship with Eleven Property Pty Ltd. Eleven Property Pty Ltd is owned by Anne Fornaro, who is also the Managing Director of Fornaro and wife of Tony Fornaro. Eleven Property may receive up to 6.6% (incl GST) of the property purchase price should you proceed with purchasing a property facilitated by Eleven Property Pty Ltd. You are under no obligation to use Eleven Property Pty Ltd.

Engaging Fornaro Finance Pty Ltd, Fornaro Accountants Pty Ltd and Eleven Property Pty Ltd will generally represent a 'conflict of interest' for Fornaro Advice Pty Ltd as our related entities will benefit financially from you receiving services and products from them.

Fornaro Advice Pty Ltd does not have any other relationships or associations which might influence us in our service provision to you. Any potential conflicts of interest will be detailed to you in the appropriate manner prior to you acting on the advice.

Referral Payments

We may reward some parties for assisting an introduction of a client for financial services. Referrers may receive up to 20% of the net revenue received by Fornaro from the introduced client's initial upfront services.

Privacy

We will need to find out your individual objectives, financial situation and needs before we recommend any financial advice or product to you. You have the right not to divulge this information to us, if you do not wish to do so. In such instances we are required to warn you about the possible consequences of us not having your full personal information. You should read the warnings carefully. We keep a record of the personal information, which may include details of your investment objectives, financial situation and particular needs, you provide

to us. On your request, we can provide you with a copy of your personal information and advice documents, which we keep on record for no less than 7 years. Please note that a fee for this service may apply. We are committed to implementing and promoting a Privacy Policy which will ensure the privacy and security of your personal information.

A copy of our Privacy Policy can be accessed from fornaro.com.au/fornaro-privacy-policy

Reporting your Concerns

Fornaro Advice Pty Ltd are committed to providing quality advice to you. This commitment extends to providing accessible complaint resolution mechanisms for you.

If you have any complaint about the service provided to you, you should contact Fornaro Advice Pty Ltd's Responsible Manager in writing about your complaint and we will try and resolve your complaint within 45 days.

RESPONSIBLE MANAGER

Fornaro Advice Pty Ltd
PO Box 1508
Fortitude Valley QLD 4006
Email: advice@fornaro.com.au

If after 45 days we cannot reach a satisfactory resolution to your complaint, Fornaro Advice Pty Ltd are a member of the Australian Financial Complaints Authority (AFCA) and you can raise your concerns with them through the contact details below:

AUSTRALIAN FINANCIAL COMPLAINTS AUTHORITY

GPO Box 3
Melbourne VIC 3001
Phone: 1800 931 678
Email: info@afca.org.au
Website: afca.org.au

You may also make a complaint via the ASIC free-call Infoline on 1300 300 630.

Professional Indemnity Insurance

Fornaro Advice Pty Ltd hold professional indemnity insurance in accordance with s.912B of the Corporations Act 2001 (as amended). The insurance is designed to protect our clients in the event of a loss from an error or negligence on behalf of Fornaro Advice Authorised Representatives. This policy does not cover losses from normal market movements. If you would like more information regarding this cover you can request this from your Financial Adviser.

For further details and access to useful information,
please visit fornaro.com.au

Your Financial Adviser



F O R N A R O

EST. 2000

Tony Fornaro | B.Bus, CPA,
DFS, Dip.FMBM, C.Dec
Founder | Head of Advice
Authorised Representative 300485

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*An Authorised Representative of
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