



# FINANCIAL SERVICES GUIDE

16<sup>th</sup> September 2017



**Markson Financial Planning Pty Limited**

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Authorised representative (424106) of  
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## ABOUT THIS DOCUMENT

This Financial Services Guide describes Markson Financial Planning Pty Limited'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. If we recommend the Fitzpatrick's Private Wealth Managed Discretionary Account service as being appropriate for you, further information including an additional Financial Services Guide will be provided to you.

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 actually 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, 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.

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

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.

## The detail

Markson Financial Planning Pty Limited is an authorised representative of Fitzpatrick's Private Wealth Pty Ltd, and is able to provide advice on 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.

## ABOUT MARKSON FINANCIAL PLANNING PTY LIMITED

Mark Lewin (Authorised Representative number 238237) is an Authorised Representative of Fitzpatrick's Private Wealth Pty Ltd and director of Markson Financial Planning Pty Limited.

## OUR ADVICE PROCESS

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

## REVIEWS

We cannot promise that the recommended strategy and your investments will remain suitable for you over time. Also, 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

Our advice process has your interest, goals and life aspirations at its heart. One of its most valuable outcomes is delivering a comprehensive financial road map, actions plans, and guidance to help you achieve your lifestyle and financial goals. 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

As a general principle, we separate our Advice Fees into two areas; Initial Plan Writing Fee and Ongoing Adviser Fee. This provides greater visibility of the individual aspects of the advice expertise and services we provide to you. 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 Plan Writing Fee

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 plan writing service is \$3,300 including GST.

### Ongoing Adviser Fee

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 Advice service we provide to you will depend on your situation. We charge a minimum fee of \$8,800 per annum (including GST). Amounts above this figure are calculated as a percentage of the value of your investments, using a flat percentage approach set at a maximum of .99% per annum (including GST). The fee is calculated daily based on the balance of your portfolio and deducted monthly from your portfolio. So for example, assuming your portfolio value was constant through the year at \$1,000,000, the fees you would pay at the maximum rate are \$9,900 per annum or \$825 per month, including GST.

## 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 121% 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.

After the Life Insurance Reforms legislation takes effect on 1 January 2018, these amounts will reduce to up to 80% of the first year's premium and up to 20% of the ongoing annual premium.

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>	121%	\$2,420	-	-
<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

We do not accept, nor do we pay, Referral Fees.

## ADVISER REMUNERATION

As an employee of Markson Financial Planning Pty Limited, Mark receives a salary. In addition as a Director of Markson Financial Planning Pty Limited Mark is also entitled to a share of the profits of Markson Financial Planning Pty Limited.

## RELATIONSHIPS AND ASSOCIATIONS

### Our Authorising Licensee

We pay fees to our authorising licensee, Fitzpatrick's Private Wealth Pty Limited, of up to 13.75% including GST of all fees and commissions we receive for our services, subject to a minimum of \$22,000 and a maximum of up to \$132,000 including GST per annum.

## **Fitzpatricks Group**

Fitzpatricks Private Wealth Pty Ltd and Atrium Investment Management Pty Ltd (Atrium) are both members of the Fitzpatricks Group.

The Fitzpatricks Group offers a number of investment solutions including a Managed Discretionary Account Service, Atrium managed investment schemes, and selected mandated fund structures within the Managed Discretionary Account Service. External and related parties may be used to operate these funds and perform specialist functions. The Fitzpatricks 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.

Although we are under no obligation to recommend these investment solutions, should they be suitable to assist you reach your individual financial objectives and needs, it is likely that we will recommend them to you.

## **Business Arrangements**

For clients to whom we provided 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 inforce 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 our employees after they cease working with us provided we notify the insurer of the claim when it arises and this is done within the relevant policy period.

### **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 services 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.marksonfinancialplanning.com.au](http://www.marksonfinancialplanning.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 put your complaint in writing and forward it to:

Compliance Manager  
Fitzpatrick's Private Wealth Pty Ltd  
GPO Box 1193  
Sydney NSW 2000

If you are dissatisfied with the response, you may raise the matter directly with the Financial Ombudsman Service (**FOS**). FOS is an independent industry dispute resolution service that may be contacted if you have a complaint that is not satisfied within 45 days of raising it. FOS's contact details are:

Telephone: 1300 78 08 08  
Email: [info@fos.org.au](mailto:info@fos.org.au)  
Web: [fos.org.au](http://fos.org.au)  
Post: Financial Ombudsman Service  
GPO Box 3  
Melbourne, VIC 3001

There are some complaints which FOS is unable to deal with and FOS 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](mailto:admin@ftz.com.au)  
Office: Level 5, Challis House, 4 Martin Place, Sydney NSW 2000

This FSG was prepared on 16<sup>th</sup> September 2017.