



FORTNUMTM
FINANCIAL ADVISERS



Our Commitment

My strong belief is that well-qualified and experienced Financial Advisers should play a critical role in the lives of all Australians.

It is true to say, that for the vast majority of people, financial planning is difficult at best and for others it is simply overwhelming.

At Fortnum Financial Advisers our ambition is to change all that.

We strive to help you put your financial house in order and provide ongoing advice and services to keep it that way.

We practice what we call 'new world' financial planning advice that is founded in the fundamental concept of providing a service that truly puts the needs of our clients first.

Financial planning is not a one-size-fits-all commodity. We recognise that different people require different financial planning advice to suit their individual circumstances. Ours is a holistic approach that involves honest and meaningful conversations that aim to clearly identify and articulate needs, and from this position of true understanding we develop 'outcomes-based' financial plans.

Our goal is to create bespoke financial plans that are constructed in accordance with your very personal and individual financial objectives.

Fortnum Financial Advisers is borne of three decades of financial pedigree and a commitment to transparency, quality, innovation and affordability.

Regards,

Ray Miles
Executive Chairman Fortnum Financial Advisers.



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Our Story



The Fortnum Group was officially launched in March 2010, although our history dates back to 1989. Many of our Principal Practices were core practices within Associated Planners, which was arguably Australia's most successful financial services firm of that era.

At its peak Associated Planners grew to support 168 member firms, including some of the largest financial planning firms in Australia. Their central value was a genuine belief that clients must come first, creating a proactive and client-focused financial services model. Ray Miles, now Fortnum's Executive Chairman, was pivotal in that history, and he and two key staff members are the founding team of Fortnum Financial Advisers.

Our Future

Fortnum Financial Advisers is built upon the fundamental principle that 'our clients must come first' and offers innovative service delivery. Each Principal Practice within Fortnum is a shareholder in the Fortnum Group which encourages a collegiate approach to gaining and sharing knowledge for the benefit of all Fortnum advisers and their clients.

Underpinning our drive for innovation is an absolute focus on quality – quality firms, quality staff and quality outcomes for you. At Fortnum we believe that all Australians should have improved financial outcomes if they have access to quality advice.

We work with a range of clients who strive for success in all aspects of their lives, including mid to high income earners, business owners and executives, professionals and self-funded retirees. As a Fortnum client, you have some level of financial complexity and you value experience, advice and service philosophy. We help thousands of people like you with their financial planning needs.

Fortnum advisers are proven performers with significant industry tenure. All our financial advisers are required to meet and maintain quality standards and criteria including:

- Undertaking and passing a rigorous selection process;
- Financial advice qualifications;
- A demonstrated history of quality advice and customer service; and
- An ongoing commitment to education.

To achieve the appropriate financial outcomes for you, we work with partner organisations that provide access to specialist advice and industry leading services.

We then collaborate with your accountant, solicitor and other professionals, to develop truly holistic financial planning strategies aligned with your overarching financial goals that underpin and represent your entire financial life.

It is this in-depth understanding that enables us to build genuinely tailor-made financial solutions for individuals in accordance with their specific circumstances.



'New World' Financial Advice

At Fortnum Financial Advisers, our stated aim is to change forever the way Australians think about their financial adviser. Rather than accepting the norms of what we consider 'old world' financial advice that include generalised risk profiling, Fortnum Financial Advisers delve deeper to determine risk attitudes as appropriate to each individual, and in doing so break through limitations that in the past may have restricted access to a range of opportunities.

Central to the 'new world' of financial advice is the concept of outcomes-based advice – a comprehensive understanding of your longer term financial objectives and the delivery of appropriate advice to best achieve those outcomes, regardless of whether financial products are required or not.

Having richer, outcomes-based client conversations means your Fortnum adviser can create a series of financial models that illustrate the various outcomes of your

decisions. We aim to provide you with a realistic insight into the benefits and consequences of your options.

With an understanding of your requirements and the risk drivers within every investment, we build portfolios from a blank canvas – these profiles are based on and built with the singular intention of satisfying your needs and objectives.

As part of our 'new world' approach we can offer a low cost, managed account service allowing you to own assets in an appropriate entity for your requirements, with reporting capacity across all entities.

Importantly, our managed account service is linked back to the advice process so your portfolio can be regularly reviewed. Real time access to your financial position delivers a new and superior level of financial management that checks progress and allows response to corrections or to take advantage of new opportunities.

ADVANTAGES OF OUR 'NEW WORLD' APPROACH TO FINANCIAL ADVICE

Outcomes-based Advice	Bespoke Portfolios Matched to Your Objectives	Low Cost, Bespoke, Open Architecture Delivery
<ul style="list-style-type: none">• Meaningful, honest conversations about your goals and objectives• Critical assessment of your asset structures and protection from creditors• Deep understanding of your estate distribution wishes and concerns	<ul style="list-style-type: none">• Development of bespoke portfolios that track specifically towards your goals and objectives• Assessment process designed to keep your portfolio on track• Supported by a team of professionals with a deep understanding of market risk and importantly across all aspects of asset classes and how they relate to each other	<ul style="list-style-type: none">• Capacity to hold assets in an appropriate entity and report across multiple entities• Portfolios built specifically for you with rules engines that work towards achieving your desires and outcomes• Very low cost and highly transparent• Scale benefits to further reduce costs





Our Clients



Self-Funded Retirees

You have worked hard throughout your life, and as a self-funded retiree, your wealth has been accumulated over a lifetime. You need to know that your wealth will sustain you for the rest of your life. It is likely you have concerns and questions regarding your financial future including:

Could a significant amount of my wealth be lost through poor choices or market fluctuations?

Will my wealth sustain me for the rest of my life?

Will I be able to leave the legacy I want – provisions for now, bequests for later?

Our outcomes-based financial advice offers comprehensive solutions for self-funded retirees. Working in consultation with your other professionals such as solicitors and accountants, our plans are designed to be inclusive of your complete circumstances and objectives, and are tailored to your specific needs.

Business Owners/Executives

As a business owner or executive, finding the time to manage your financial affairs can be tough.

There is often complexity in your affairs, with personal and business matters crossing over and different structures and entities in place for asset protection and tax effectiveness.

Fortnum advisers work with you and in conjunction with the other professionals who contribute to your financial life.

We aim to simplify your affairs through meaningful discussions to fully understand your complete financial situation and provide a holistic financial plan that is appropriate for you and your business circumstances.



High Income Earners

Fortnum Financial Advisers provide financial advice for high income earners who often need to manage a wide range of financial considerations and complexities that come with a high net worth.

Our outcomes-based financial advice assists high income earners to develop an integrated financial plan incorporating taxation efficiency and savings strategies, wealth protection, risk management, estate planning and superannuation advice.

By using 'new world' financial tools and a genuine partnering approach with your accountant and others who are essential to your financial life, we work to understand what's important to your financial plan and your needs and objectives, now and in the future.

Professionals

As a professional in practice, you have an excellent knowledge of your professional field, but demands on your time may not permit a full understanding of the complexities of today's constantly changing global financial environment.

We understand that simplicity and a clear understanding of your financial situation would help alleviate feelings of financial uncertainty, as would a financial strategy designed in alignment with the unique requirements of your profession. The Fortnum Financial Advisers' network is expansive and experienced in a range of special interest professions including medical and mining.

Fortnum Financial Advisers aim to manage your financial affairs so that you may enjoy the lifestyle it brings, while coordinating financial structures in association with other professionals, for the development of your longer term planning. Our financial planning can also assist you to implement a strategy for a rewarding exit from professional practice at the time of your choosing.





Our Services



Utilising outcomes-based advice to develop an intimate knowledge of your overarching financial goals, Fortnum's financial advisers bring all facets of your financial life together in a seamless and integrated financial plan.

Fortnum Financial Advisers' services include Wealth Creation and Investment Strategies; Outcomes-based Modelling; Risk Assessment; Protected Portfolios; Low cost, bespoke open architecture delivery; Financial Planning; Estate Planning; Self-Managed Superannuation Funds; and Risk Management and Insurance Strategies.

Wealth Creation and Investment Strategies

At Fortnum Financial Advisers we work with you to identify your goals using 'new world' outcomes-based financial advice and we work with our financial services investment research team to develop appropriate investment portfolios for you.

Our goal is to articulate and assist you to understand what risk exposure you could, or should, potentially have, and those you should have no exposure to at all. We then focus on building portfolios which are individually tailored to achieve your financial goals while managing that risk.

Our approach is proactive. We carefully consider your individual circumstances and offer solutions appropriate for you.

We are committed to genuine understanding of your objectives through meaningful and honest conversations.

By partnering with industry leaders and innovators we have moved away from the shortcomings of historical methods of financial planning to focus on clients as individuals. We aim to identify risk at an individual level and to build your portfolio from a blank canvas rather than a pre-determined assumption. Our goal is simply to deliver better outcomes.

Working in conjunction with Milliman our actuarial partner, we have developed resources and systems we believe will provide new and better financial services for you.

Outcomes-based Modelling

Outcomes-based modelling is the comprehensive understanding of your financial objectives and the delivery of appropriate advice to achieve those objectives.

Traditional advice models focus on the placement of a financial product relating to an event in your life such as establishing a SMSF or an investment placement, using a generic risk profile. The inadequacies of this approach are that your longer term financial objectives are often not considered.

The 'new world' approach of outcomes-based modelling involves Fortnum advisers testing scenarios with you and developing tailored portfolios based on a potential range of realistic outcomes of your investments.

It is not stock picking or managed fund picking to a generic risk profile, which may have little to do with your goals and objectives. Outcomes-based modelling is about professionally built bespoke portfolios based on your individual needs and objectives.



Risk Assessment

In conjunction with Milliman, Fortnum Financial Advisers has developed what we believe is one of the most sophisticated risk assessment tools available in Australia.

These tools can be applied across multiple potential scenarios to develop portfolios that will, as near as realistically possible, map what is required for you to achieve your objectives.

This means that your portfolio will be developed specifically to meet your requirements and consider realistic outcomes of your investments such as market risk, inflation, interest rate risk, longevity risk and liquidity risk.

As a part of our overall processes, we review your portfolio regularly, providing notification of change and the opportunity to take remedial action to keep your portfolio working towards your objectives.

Protected Portfolios

Fortnum Financial Advisers is the first organisation in Australia to release "Protected Portfolios" known as P² Strategies (P²). The P² protected solution acts as a risk management overlay to your investments and superannuation.

Taking a holistic view of each investor's portfolio, P² is a strategy designed to manage volatility for the purpose of decreasing losses when investing in equities. P² seeks to reduce the volatility of returns by cushioning downside movements and capturing gains in different market cycles, allowing investors to invest without the extremes that can damage long-term performance.

Our approach is proactive and carefully considers and manages your financial risk, to help grow your portfolio more effectively.

P² Strategies is managed on a daily basis with advice from Milliman, our actuarial partner.

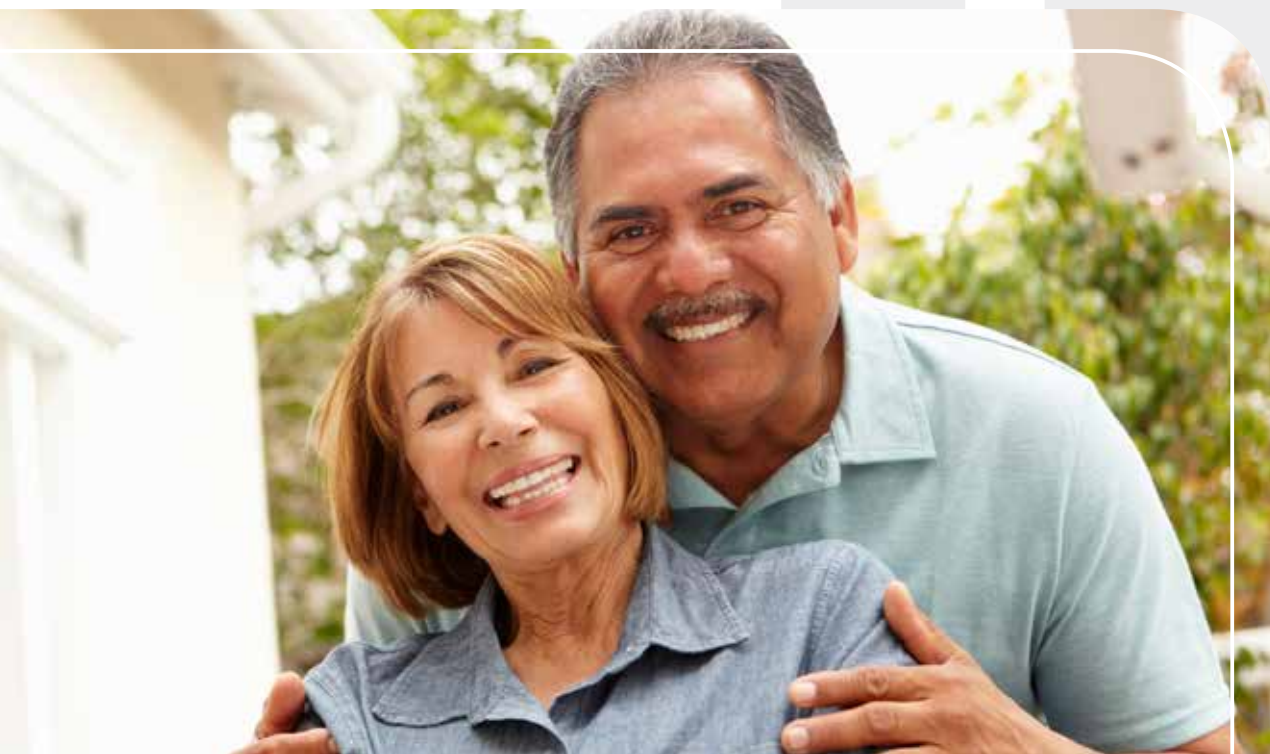
Low cost, bespoke, open architecture delivery

Our Fortnum team has developed a low cost, open architecture investment management service which allows a combination of investment strategies to operate on a single system. Investment portfolios are built to be truly bespoke and aligned to your outcomes-based financial goals.

With a robust understanding of your requirements and thorough knowledge of the risk drivers within every investment, portfolios are built and managed to your exact specifications.

This delivery is through a Unified Managed Account, a service which offers you the opportunity to hold assets in an appropriate form for your needs (including tax structures), thus reducing custody costs associated with many existing platforms.

Offering a system which is linked back to the advice process means the system is always checking that the portfolio remains on track with your needs and objectives. With your portfolio monitored regularly, action can be taken quickly to move a portfolio back on track in response to major market fluctuations or changes in your circumstances.





Financial Planning

Financial planning for independence means different things for different people and it can range from having freedom from debt and an ample balance in your superannuation fund, to enjoying a handsome passive income from investments to sustain a carefree retirement.

Fortnum advisers are experienced, knowledgeable and importantly, qualified to assist you to:

- Build wealth
- Protect your wealth
- Plan your transition to retirement
- Build and plan your retirement income

Of course, an effective financial plan involves the seamless integration of a range of services that includes a number of professionals including your accountant, solicitor and banker among others.

Estate Planning

Estate planning is an important special interest area within financial planning that needs to be considered in association with personal insurance, investment and superannuation strategies.

A well-considered estate plan is central to protecting those you love from claims on their inheritance, or loss of entitlements due to inadequate tax, asset protection structures or inappropriate planning.

Your Fortnum adviser works with your solicitor and accountant with a view to creating a fully integrated estate plan and appropriate structures. We consider all aspects of your life, your family, and your obligations and responsibilities, so that your estate plan may deliver your legacy according to your wishes.



Self-Managed Superannuation Funds

Fortnum Financial Advisers has developed a special interest in Self-Managed Superannuation Funds (SMSF) which we consider is among the best financial tools for building wealth.

There can be many advantages of investing your superannuation in your own SMSF, including lower fees than public offer superannuation funds, greater flexibility and control over your retirement savings and increased investment options that can include shares, managed funds and direct property.

Your Fortnum adviser can assist you to assess the appropriateness of a SMSF in accordance with your overarching financial plan; coordinate with your accountant regarding the implementation of a SMSF structure; and most importantly, provide advice for the selection and management of investments within your SMSF towards achieving your financial goals.

Risk Management and Insurance Strategies

An important part of your overarching financial plan is appropriate risk management and protection of your most important asset – your ability to earn an income.

Fortnum advisers can assist you to make choices that are suitable for your individual circumstances and provide a risk management strategy for your peace of mind.

This strategy may include one or more types of insurances - Life Insurance, Income Protection and Business Expenses Insurance, Total and Permanent Disability (TPD) and Trauma Insurance. For business owners, you may need to consider other risk strategies including Key Person and Buy Sell Insurance.

Importantly, your Fortnum adviser is your first contact should you need to make a claim. Our competent claims management and representation process means efficient liaison with the insurer to facilitate payment of your full entitlement.





Our Partners



Fortnum Financial Advisers actively collaborates with specialist partners to provide industry leading services for our clients.

e-Clipse Online Pty Ltd

e-Clipse Online Pty Ltd (e-Clipse Online) operates a Unified Managed Account (UMA) which is a professionally managed, consolidated, private investment service offering unprecedented flexibility and freedom of choice. The UMA allows you to hold assets in an appropriate form for your circumstances which means you can invest in a wide range of options including direct shares, various cash options and managed investments. You also have the freedom to manage your own assets if you wish, an option which is not available on many platform offerings in today's market place.

Further, e-Clipse Online offers you access to a competitively priced public offer superannuation fund with a choice of investment portfolio options. e-Clipse Super also offers the e-Clipse Pension Plan which provides clients who are transitioning to retirement, with a flexible income stream.

Innova Asset Management Pty Ltd

Innova Asset Management (Innova) is a specialist asset consultant appointed by e-Clipse Online Pty Ltd, to create and maintain tailored portfolios.

Innova offers access to a broad range of implemented investment strategies, as well as direct access to information and research not typically available in the broader marketplace.

This partnership results in a robust investment offering.



Fortnum Professional Strategies

Fortnum Professional Strategies is an initiative of Fortnum Financial Advisers that was developed as a partnering model for accountants and financial advisers. This inclusive program recognises the important role of accountants in your overarching financial affairs. It aims to provide resources, education and opportunity for both accountants and financial advisers. The end goal is to achieve collaboration that results in greatly-enhanced and seamless management of your financial goals and objectives.

Milliman

Milliman is one of the world's largest financial risk management firms with a 15 year history of managing market risk. Milliman currently provides advisory services on more than 6 million accounts valued at over \$US500 billion.

Founded in 1947 Milliman has 51 offices in key locations around the world with over 2,300 employees. With trading

desks in Sydney, London and Chicago, Milliman reviews movements in value for your selected fund investments as the market activity moves around the globe.

Milliman has delivered risk management strategies for some of the world's largest insurance companies to successfully reduce their exposure to market declines. Milliman's P² Strategies are now available for individual investors.

Fortnum Lending Services

Fortnum Lending provides an additional layer of specialised expertise and service relating to banking and finance.

Fortnum Lending engages with you and your aligned professionals to provide financing strategies which includes creating solutions for complex finance requirements by small business and professionals in practice. Fortnum Lending offers a range of finance products for the acquisition and/or refinancing of property and for satisfying other financing requirements.





Our Promise



Our Charter

We are Fortnum Financial Advisers – a joint venture in which Principal Practices have a stake. We believe our first responsibility is to act in the best interests of our clients.

Our core values are:

- Integrity – we would rather lose our money than your trust
- Quality – we focus on quality people doing outstanding work
- Innovation – there is always a better way - we do our best to find it
- Commitment – we are committed to the following behaviour:-
 - We will be courteous
 - We will be punctual
 - We will finish what we start
 - We will do what we say
 - We believe in finding a way to get things done rather than find an excuse

Our core values in action

- Our Principal Practices and clients are our reason for being – without either we fail
- We are good corporate citizens – we recognise our responsibility to give back to our community
- Our principal product is advice – if we recommend a product it is because it is in our clients' best interests
- Our research is protected from external influences to ensure that only the best client solutions are offered - it is core to our offering that our research people are highly competent and independently minded
- We listen to our Principal Practices, clients and staff to learn and improve what we do



FORTNUM™
FINANCIAL ADVISERS

Our name comes from a combination of two words –
fortress and numbers.

This represents our duty to you: Our strength with
numbers, our commitment to building your financial
future and dedication to protecting your financial
security.

Fortnum Private Wealth Pty Ltd ABN 54 139 889 535,
trading as Fortnum Financial Advisers, holds an Australian
Financial Services Licence and an Australian Credit
Licence No. 357306. The company is wholly owned by
Fortnum Financial Group Pty Ltd.



FORTNUM[™]
FINANCIAL ADVISERS

Contact Us:

T + 61 (02) 9904 2792

F + 61 (02) 9953 5668

3/36 Bydown Street
Neutral Bay NSW 2089

www.fortnum.com.au