

Private Capital Advisers

Financial Services Guide

January 2021



PRIVATE
CAPITAL
ADVISERS



Contents

Financial Services Guide	3
Our Services	4
How Can You Deal With Us?	5
How Are We Paid?	5
Who We Pay?	7
Further Details on Remuneration and Benefits Relating to Financial Services	8
Important Associations	8
Our Professional Indemnity Insurance	8
What To Do if You Have a Complaint?	8
Contact Details for AFCA are:	9
How We Protect Your Privacy?	9
How Can You Contact Us?	9

Financial Services Guide

Private Capital Advisers Pty Ltd (“Private Capital Advisers”, “we”, “us” and “our”) is an Australian Financial Services Licensee (AFS Licence No. 422 593). Peter Wright is authorised to provide financial services on behalf of Private Capital Advisers. Private Capital Advisers is therefore responsible for the advice provided by Peter Wright.

This Financial Services Guide (“FSG”) is intended to inform you of certain basic matters relating to our relationship, prior to us providing you with a financial service. It contains important information about:

- The services we offer you;
- How we and our associates are paid;
- Any potential conflict of interest we may have; and
- Our internal and external dispute resolution procedures and how you can access them.

It is intended that this FSG should assist you in determining whether to use any of the services we offer you.

We may give you other documents when providing our services to you. These documents may include:

Statements of Advice

Where we provide financial product advice to you for the first time, or where the advice we provide to you is in the context of your circumstances, objectives or needs being significantly different to the previous advice we provided you, or where the basis of the advice we provide is significantly different to the advice we previously provided to you, we will give you a Statement of Advice (“SOA”). In this SOA we will tell you about:

- Our advice and basis of advice;
- Our fees and commissions; and
- Any associations we have with financial product issuers or other parties which may have influenced the advice we give you.

Record of Advice

On an ongoing basis, a Record of Advice (“ROA”) will be used instead of an SOA, if there have been no significant changes in your personal circumstances or the basis of the advice has not significantly changed since the last SOA was provided to you. You have the right to request a copy of your ROA up to 7 years from the day on which the advice was provided to you by us.

Product Disclosure Statements

If we make a recommendation to acquire a financial product, we will provide you with a Product Disclosure Statement (“PDS”) containing information about the particular financial product to help you make an informed decision about the acquisition of that financial product.

Our Services

Our Financial Planning and Advisory Services Can Assist You To:

- Identify your financial and investment objectives, taking into account your current financial position and personal circumstances;
- Help you to develop financial goals and investment strategies;
- Advise you how to implement your investment strategies; and
- Recommend and arrange financial products that are suitable for your needs.

We Can Provide Advice in The Following Areas:

- Strategies to enhance your wealth including strategies to achieve asset accumulation, tax minimisation and liability management.
- Cash flow management and budgeting advice.
- Advice on life insurance in order to protect you and your family against the financial impact experienced as a result of accident, illness or death.
- Advice on structuring your investments and superannuation benefits for maximum effectiveness and flexibility.
- Investment consulting advice focused on ensuring that you hold appropriate investments in order to achieve your financial goals.
- Administration and reporting on investment portfolios and self-managed superannuation funds.

Private Capital Advisers is authorised to provide financial services which includes providing advice and dealing in the following financial products by applying for, acquiring, varying or disposing of on behalf of another person:

- Deposit and Payment Products – Basic and non-basic deposit products;
- Government debentures, stocks and bonds;
- Life products – Investment life risk insurance products and life risk insurance products;
- Interests in managed investment schemes including investor directed portfolio services;
- Retirement savings accounts;
- Securities;
- Superannuation - including Self-Managed Superannuation Funds; and
- Margin lending.

We act for you when providing financial services to you.

How Can You Deal With Us?

- You can provide us with instructions in person, by phone, fax or email.
- It is important that you provide us with complete and accurate information about your personal objectives, details of your current financial situation and any other relevant information, so that we can offer you the most appropriate advice possible.
- You have the right not to tell us information, if you do not wish to. However, if you do not, the advice you receive may not be appropriate to your needs, objectives and financial situation. If you choose not to provide complete and accurate information about your circumstances, need or objectives, the onus passes to you to consider the appropriateness of the advice having regard to your circumstances, needs and objectives.
- You should seriously consider any warning that we provide in relation to this matter before making a decision relating to financial products.
- We recommend that you review your financial products and insurance policies at least annually.
- Furthermore, if there are any significant changes to your personal circumstances we recommend you contact us as alterations to your financial strategies and investment and risk insurance portfolios may be required.

How Are We Paid?

Financial Planning and Investment Services	<p>We charge for our financial planning and investment services on the basis of the time that we spend looking after your needs. The rate will depend on the nature of the services you ask us to provide, for example:</p> <p>Initial advice fee - For our initial consultation and preparation of a written SOA we charge a fee that fee will depend on the complexity of the advice provided to you. Typically, this fee will range from \$550 to \$3,300 (inclusive of GST).</p> <p>Implementation fee - If you elect to proceed with the recommendations contained within your SOA, implementation fees may be payable. An implementation fee of between 0.25% and 1.1% (inclusive of GST) of amounts invested on your behalf may be incurred, which means if you invest \$1000 through our firm, the maximum implementation fee would be \$11 (inclusive of GST). Full details of applicable fees will be set out in your SOA.</p> <p>Ongoing advice fee - Our ongoing advice fee is based on a 1.1% p.a. (inclusive of GST) of funds under management or an agreed fixed annual fee. This means if you invest \$100,000 through our firm, and the ongoing advice fee is 1.1% your annual fee will be \$1,100 per annum (inclusive of GST). If applicable, full details will be set out in your SOA.</p>
Share Transactions	<p>If we recommend you buy or sell shares, we will charge a dealing fee on each share transaction we execute on your behalf. The dealing fee is charged at a rate of up to 1.10%, subject to a minimum fee of \$110. For example, if you trade \$10,000 of shares then the fee will be \$110. If applicable, full details will be set out in your written SOA.</p>

Life Insurance Services

We may receive upfront and ongoing commission payments for insurance products implemented on your behalf. The ongoing commissions will continue to be received by us whilst the policy remains in force and is serviced by us.

Pre 1 January 2018

We have some legacy remuneration arrangements with life insurance companies for life insurance policies issued prior to 1 January 2018. Where the insurance company continues to make payments of upfront and ongoing commissions in relation to these policies, we can lawfully continue to receive these payments under “grandfathered” exemptions set out in the Corporations Act 2001.

For life insurance policies established prior to 1 January 2018, we may receive a commission of up to 120% (inclusive of GST) of the first year’s annual premium and up to 22% p.a. (inclusive of GST) of the annual premium thereafter.

Example: If the initial and annual income protection insurance premium was \$1,500 p.a. on 31 December 2017, we would receive an upfront commission of \$1,800 (inclusive of GST) in that year and an ongoing commission of approximately \$330 p.a. (inclusive of GST) each year you continue to hold the product. It is important to note that in most cases each year’s premium will increase on the anniversary of the policy, so the dollar amount of a 22% p.a. ongoing commission will increase as well.

Post 1 January 2018

The Corporations Amendment (Life Insurance Remuneration Arrangements) Bill 2016 commenced on 1 January 2018 and the table below sets out the maximum level of upfront and ongoing commission that we may receive for life insurance policies established after 1 January 2018.

Date life insurance policy established	Maximum commission (inclusive of GST)	
	Upfront	Ongoing
1 January 2018	88.00%	22.00%
1 January 2019	77.00%	22.00%
1 January 2020 and future years	66.00%	22.00%

Example: If the initial and annual income protection insurance premium was \$1,500 p.a. on 2 January 2018, we would receive an upfront commission of \$1,320 (inclusive of GST) in that year and an ongoing commission of approximately \$330 p.a. (inclusive of GST) each year you continue to hold the product. It is important to note that in most cases each year’s premium will increase on the anniversary of the policy, so the dollar amount of a 22.00% p.a. ongoing commission will increase as well.

If applicable, full details will be set out in your written SOA.

Capital Raising	<p>If we assist you with investing into a capital raising, we may receive an upfront capital raising placement fee. Typically, this placement fee will be a percentage of funds raised (inclusive of GST).</p> <p>This fee could be up to 2.20% (inclusive of GST) which means if applicable we would be paid an upfront capital raising placement fee of up to \$2,200 (inclusive of GST) for each \$100,000 of capital raised. If applicable, full details will be disclosed to you.</p>
Clients Prior to 1 July 2014	<p>For clients who we provided services to before 1 July 2014, we may receive an ongoing commission from the product provider. This is usually paid at the end of each month or annually to us for the life of the financial product. The amounts received by us will vary as it is dependent upon the financial product. Typically, the payment we receive will range from:</p> <ul style="list-style-type: none"> • 0% to 0.66% p.a. (inclusive of GST) of the funds invested for investments and superannuation.

Who We Pay?

Advisers	<p>Our Advisers are employees they are paid a salary and may be eligible to receive a performance bonus if they meet pre-set agreed key performance indicators or dividends if they are a shareholder in the business.</p> <p>Peter Wright is the Principal of Private Capital Advisers. Peter is also a shareholder of Private Capital Advisers and maybe entitled to dividends.</p>
Referrers	<p>If you were referred to us, we may pay a fee or commission in relation to that referral. If applicable, we will tell you in your SOA who will receive that fee or commission and the amount that they will receive.</p>

Further Details on Remuneration and Benefits Relating to Financial Services

If remuneration is not ascertainable at the time this FSG is given and personal advice is given, then either of the following will occur:

- If the remuneration or other benefits are calculable at the time the personal advice is given, the remuneration or other benefits that we pay to another will be disclosed at the time the personal advice is given or as soon as practicable after that time; or
- If the remuneration or other benefits that we pay to another are not calculable at the time the personal advice is given, the manner in which the remuneration or other benefits that we pay to another are to be calculated will be disclosed at the time the personal advice is given or as soon as practicable after that time.

Important Associations

Private Capital Advisers may from time to time receive a benefit from preferred product providers by way of sponsorship of educational seminars, conferences or training days. Details of benefits above \$100 will be maintained on a register.

Our Professional Indemnity Insurance

We hold Professional Indemnity (“PI”) insurance in place in accordance with section 912B of the Corporations Act 2001. Our PI insurance covers us for claims made against us by clients as a result of our conduct in the provision of financial services.

Our PI insurance cover will cover us for claims relating to the conduct of representatives who have ceased work with us but who did at the time of the relevant conduct. This is subject to the usual terms of the PI policy in relation to providing indemnity.

What To Do if You Have a Complaint?

If you have a complaint about our services, you can contact our Complaints Officer on 08 9384 6516, who will try to resolve your complaint quickly and fairly.

Private Capital Advisers is a member of the Australian Financial Complaints Authority (“AFCA”). Should the dispute remain unresolved, or is not resolved within 45 days, or such longer period as permitted by AFCA, you have the right to refer the matter to AFCA.

Contact Details for AFCA are:

Australian Financial Complaints Authority (“AFCA”)

Postal Address	GPO Box 3, Melbourne VIC 3001
Phone	1800 931 678
Fax	(03) 9613 6399
Email	info@afca.org.au
Web	www.afca.org.au

You may also contact the Australian Securities and Investments Commission (“ASIC”) on 1300 300 630 to obtain information about your rights.

How We Protect Your Privacy?

We are committed to protecting your privacy. We use information from you to understand your personal situation and provide you with advice that meets your needs and objectives. We will also collect information from you to meet our obligations under the Anti-Money Laundering and Counter-Terrorism Financing Act. We will generally collect this information directly from you however in some cases we will seek your authority to collect it from other parties such as your accountant, insurer or superannuation fund.

We have a privacy policy that encompasses the Australian Privacy Principles and ensures the privacy and security of your personal information. A copy of Private Capital Advisers Privacy Policy is available on request or on our website www.privatecapitaladvisers.com.

How Can You Contact Us?

Private Capital Advisers Pty Ltd can be contacted at:

Private Capital Advisers Pty Ltd

Street Address	Suite 1, 89 Forrest Street, Cottesloe WA 6011
Postal Address	PO Box 183, Cottesloe WA 6911
Phone	(08) 9384 6516
Email	admin@privateca.com.au
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AFSL Number	422 593
ACL Number	422 593

This Financial Services Guide was prepared on 14 January 2021.