

Financial Services Guide

Part 1

Version 5.0 | 1 November 2018

About Keystone

Keystone Partnership (Keystone) is an Australian Financial Services Licence holder. Keystone Partnership is client focused with a mission to build a community of like-minded professional, well established financial advisory practices, providing quality advice in their clients' best interest.

We know how important financial services advice is in providing you peace of mind and want to thank you for engaging with one of our advisers to assist you in identifying and achieving your needs and objectives. Your adviser provides financial advice and services on behalf of Keystone and accordingly, we are responsible for the financial advice and services they provide. Our advisers are committed to providing quality advice and a wide choice services and product solutions to suit individual client circumstances.

This Financial Services Guide ('FSG') has been authorised for distribution by the authorising licensee:

Keystone Partnership Pty Ltd ('Keystone')

ABN 22 169 650 720

Australian Financial Services Licence (AFSL) No. 466137

Westcourt Manor, Suite 6, 254 Mulgrave Road, Westcourt Qld 4870



GUIDE TO OUR RELATIONSHIP WITH YOU AND OTHERS

This FSG (the 'Guide') provides you with important information about Keystone Partnership Pty Ltd ('Keystone') or ('Licensee'), and its Authorised Representatives, who will provide you with the financial services described in this Guide. It is designed to help you evaluate and make an informed decision about whether to use the financial services described in this Guide. We suggest you retain this Guide for your future reference.

This document consists of two parts. This document is **Part 1** and contains important information about:

- The financial services we offer as Authorised Representatives of Keystone;
- Keystone as the holder of an AFSL;
- The financial services that Keystone offer;
- The process we follow to provide financial services;
- How we, our associates and Keystone are paid;
- Any arrangements which may influence our advice to you;
- How we and Keystone protect your privacy; and
- Who to contact if you have a complaint or if you are not satisfied with the services provided.

Part 2 of this document is an Adviser Profile and includes information on the services we are authorised to provide on behalf of Keystone.

The Authorised Representative detailed in this document will be collectively referred to as 'us', 'we' and 'our'.

PART 1 CONTAINS THE FOLLOWING SECTIONS

- Financial Services Guide (Part 1);
- Privacy Statement (Part 2); and
- Are you satisfied? (Part 3).

Keystone Partnership Pty Ltd

| | |
|---|---|
| ABN | 22 169 650 720 |
| Australian Financial Services Licence No. | 466137 |
| Email | contact@keystonepartnership.com.au |
| Website | www.keystonepartnership.com.au |
| Phone | 1800 KEYSTONE (1800 539 786) |
| Address | Westcourt Manor Suite 6, 254 Mulgrave Road Westcourt Qld 4870 |
| Postal Address | PO Box 46 Westcourt Qld 4870 |



PART 1 – FINANCIAL SERVICES GUIDE

What other information should you consider before deciding whether to proceed with our recommendations?

If you receive personal financial advice this will be documented in a Statement of Advice (SoA), or in specific circumstances a Record of Advice (RoA), that confirms the discussions you have had with us, the recommendations we are making and the basis for those recommendations. These documents will also explain how those recommendations will work towards achieving your goals, any relevant fees received by us, and any associations with financial product providers.

When a financial product is recommended to you, you will be provided with a Product Disclosure Statement (PDS) or other disclosure document issued by the product provider. Among other things, the PDS contains information about the risks, benefits, features and fees payable in respect of the product. In combination, these documents will help you make an informed decision about whether to proceed with our recommendations.

Who provides the financial services described in the FSG?

The financial services described in this FSG are provided by us as Authorised Representatives of Keystone.

Part 2 of the document contains details of your financial adviser, their experience, qualifications and professional memberships.

Who is responsible for those financial services?

In relation to the financial services offered in this FSG, Keystone, as the holder of an AFSL, does not act on behalf of any other person or licensee. Keystone is only responsible for the services offered in the FSG and has authorised the distribution of this FSG.

The law requires Keystone to have arrangements in place to compensate certain persons for loss or damage they suffer from certain breaches of the Corporations Act by Keystone and/or its Authorised Representatives. Keystone has professional indemnity insurances that satisfies these requirements.

How do we ensure that the advice we give you suits your needs and objectives?

To ensure that we provide advice that is suitable to your needs and financial circumstances, we firstly need to understand your financial situation, personal financial objectives and needs. We will follow a step by step process as outlined below:

1. We will meet with you for an initial consultation. During this meeting we will discuss your expectations and provide you with details of the services that we can offer.
2. We will collect all the information that we need from you, including your personal financial situation, financial objectives and needs. If you do not wish to provide the information we require, we will advise you about the possible consequences of not having disclosed your full personal information and the impact on the recommendations given. This may include not being able to provide advice on the subject matter that you request.
3. We will help you identify your goals and discuss your attitude towards investment risk.
4. We will consider strategies and areas such as income, social security, insurance, cash and estate planning requirements. Where required we will also conduct a reasonable investigation of the financial products that may be suitable to implement the strategies as part of the recommendations. Based on these considerations and others, we will prepare and present you with a written SoA, or in some cases depending on the circumstances an RoA.



5. We will discuss our recommendations with you, make any changes you require and gain your agreement to implement those recommendations.
6. We will then implement those recommendations.
7. We will periodically meet with you to review your financial circumstances if we agree to an ongoing service arrangement which includes a regular review component. If an ongoing service arrangement is entered into, this will be documented in your SoA. Where you have entered into an ongoing service fee arrangement after 1 July 2013, your adviser will renew their agreement with you every two years.

We will also explain to you any significant risks of the financial products and strategies which we recommend to you. If you are unclear of the risks, do not hesitate to question us further.

What financial services do we offer?

Keystone is able to provide financial product advice and to deal in a wide range of products (unless otherwise mentioned in Part 2 of this FSG) including:

- Managed investments
- Direct shares
- Superannuation
- Deposit taking facilities
- Margin lending facilities
- Personal insurance (eg. life insurance)
- Portfolio administration services
- Retirement savings accounts
- Structured products
- Government debentures, stocks and bonds

Some of the services you are able to access through Keystone include:

- Financial planning advice
- Wealth accumulation advice
- Superannuation advice including self managed superannuation funds
- Redundancy advice
- Retirement advice
- Aged care advice
- Gearing strategies
- Cash flow advice
- Social security benefits advice
- Life and disability insurance advice
- Estate planning services

What products are available?

A range of financial products by many leading financial product providers are available for recommendation by us. Details of the available products that we can recommend are contained in the Approved Products List (APL).

External experts provide financial product research, which is used to carefully select and maintain an extensive list of Approved Products for us to select from. We conduct due diligence on external research report providers that provide us with research.

We will only recommend a product or service to you after considering its appropriateness to your individual objectives, financial situation and needs. The recommendations will be made after conducting an



investigation into the financial products and services and may require us to investigate and consider a financial product which is not on the APL.

What documents do you get if we provide further advice?

Where a further review is conducted, and personal advice is provided, in some circumstances we are not required to provide you with an SoA for this further advice. Where this is the case, if you have not already been provided with an RoA, you may request a copy of the RoA from us by contacting us (on any of the contact details set out in Part 2 of this Guide) for a period of seven years from when the further advice was first provided to you. In all other circumstances we will provide you with an SoA.

How can you instruct us?

You may specify how you would like to give us instructions, for example, by phone, fax or email using any of the contact details set out in Part 2 of this document. Alternatively, you may provide instructions to us in person. Where instructions are provided by telephone, these must be confirmed in writing.

How are we paid for our services?

We and Keystone may receive:

- Fees paid by clients;
- Commissions paid by product providers;
- Other payments by product providers; and
- Other benefits.

All fees and commissions are payable to Keystone. We may receive up to 100% of any fees and commissions received.

Details of any fees, commissions or other benefits that we, Keystone or other associated persons are entitled to receive if you implement our recommendations in relation to a specific financial product, will be disclosed to you in your SoA or RoA when personal advice is given. Details of the fees, commissions or other benefits will only be disclosed if they are reasonably capable of influencing us in providing the advice. This disclosure will be in dollar terms, or where this is not possible, in percentage terms.

What types of fees, commissions, payments and other benefits do we receive for our services?

Service fees

We will discuss and agree our fee structure with you before we provide you with services. The type of fees you can be charged are listed below. You may be charged a combination, or part of, any of these fees.

Fees for advice

We may charge fees for the preparation, presentation and implementation of our advice. These fees will be based on your individual circumstances, the complexity involved in your situation and the time it takes to prepare personal financial advice for you. We will discuss these fees with you and gain your agreement on the fees before we provide you with the advice.

Ongoing advice fees

We may charge a fee to provide ongoing portfolio reviews and/or the provision of ongoing services. This fee will be agreed with you and is either a set amount, or an amount based on the amount of funds under our advice, and/or the time involved in reviewing your portfolio and circumstances.

Payment methods

Our fees are either invoiced to you directly, or deducted from your investments, or a combination of these methods. Where it is debited from your investments it is normally referred to as the Adviser Service Fee.



In most instances you will be able to select the method of payment that suits you best. We will discuss and agree the method of payment with you before we provide you with services.

Commissions

If you take out a financial product through us, Keystone may receive payments in the form of initial fees/commissions and/or ongoing fees/commissions from the financial product provider. These commissions are included in the fees and/or premiums you pay for the product. This is not an additional cost to you. We may agree to rebate some or all of these.

Life Insurance Products

Initial and ongoing commissions from insurance providers may be received by Keystone Partnership. These commissions are paid to Keystone Partnership by the company that issues the product that Keystone Partnership's Advisers recommend to you and they are included in what you pay for the product. The commissions vary and are based on the policy cost, which is the sum of the premiums you pay and may include other fees related to the product.

The initial commission is paid in the first year by the product issuer to Keystone Partnership. Ongoing commissions are payments paid by product issuers to Keystone Partnership in the years after the first year. If received, these commissions are passed onto 'the adviser'.

If you initiate an increase to your cover, Keystone Partnership may receive initial and ongoing commissions on the increase to your policy cost. The ongoing commission on a client initiated increase is only paid in respect of the period that starts from the first anniversary of the increase.

If the initial commission is equal to the ongoing commissions (as a percentage of your policy cost), Keystone Partnership may receive up to 20% (excl. GST) of your annual policy cost. If the initial commission is higher than the ongoing commissions, the maximum commission that Keystone Partnership may receive is set out in the table below.

| Date a new product is issued | Initial commission (% of annual policy cost or increase excl. GST) | Ongoing commission pa (% of annual policy cost or increase excl. GST) |
|--|--|---|
| Before 1 January 2018 or before 1 April 2018 when the application was received prior to 1 January 2018 | 0 - 140% | 0 - 38.5% |
| 1 January 2018 - 31 December 2018* | 0 - 80% | 0 - 20% |
| 1 January 2019 - 31 December 2019* | 0 - 70% | 0 - 20% |
| From 1 January 2020* | 0 - 60% | 0 - 20% |

* Keystone Partnership may receive the pre 1 January 2018 commission rates above from the product issuer if:

- > your policy was issued before 1 January 2018 and you exercise an option to establish new or additional cover under your policy after 1 January 2018; or
- > your policy was issued before 1 January 2018 and is replaced after 1 January 2018 to correct an administrative error.

Note: all commissions received by Keystone Partnership will be passed to your Adviser.

Example

Your Adviser recommend an insurance product to you and it is issued on 2 April 2018. The annual policy cost is \$450.



Keystone Partnership may receive up to \$360 (80% excl. GST) as an initial commission and will pass 100% of the commission received, to your Adviser. Assuming the policy cost stays the same each year, Keystone Partnership may receive up to \$90 pa (20% excl. GST) as an ongoing commission and will pass 100% of the commission received, to your Adviser.

On 2 September 2018, you decide to increase your insurance cover. The cost of this increased cover is \$100. The initial commission payable to Keystone Partnership in respect of this increase will be up to \$80 (80% excl. GST) as the increase has occurred in 2018. The ongoing commission payable to Keystone Partnership in respect of this increased policy cost will be up to \$20 pa (20% excl. GST), payable in respect of the period starting from the first anniversary of the date on which you increased your insurance cover (i.e. 2 September 2019).

On 2 September 2020, you decide to increase your insurance cover again. The cost of this increased cover is \$100. The initial commission payable to Keystone Partnership in respect of this increase will be up to \$60 (60% excl. GST). The ongoing commission payable to Keystone Partnership in respect of this increase will be up to \$20 pa (20% excl. GST), payable in respect of the period starting from the first anniversary of the date on which you increased your insurance cover (i.e. 2 September 2021). All commissions received will pass to your Adviser.

You'll find details of how your insurance policy cost is calculated in the relevant PDS that we provide you. Where personal advice is provided to you, you'll also find details of the commission that Keystone Partnership receive, which is then passed onto your Adviser, if you decide to purchase a life insurance product, in your SoA or RoA.

Other benefits

From time to time we may accept alternative forms of remuneration from product providers or other parties, such as hospitality or support connected with our professional development (eg. training or sponsorship to attend conferences). We maintain a register detailing any benefit that we receive which is valued at between \$100 and \$300 and other benefits that relate to information technology software or support provided by a product issuer or that relate to educational and training purposes. A copy of the register is available on request for a minimal administration charge.



PART 2 – PRIVACY STATEMENT

Why we collect your personal information

We collect personal information, including sensitive information (eg. health information), from you to provide you with services including financial advice.

We may also use your information to comply with legislation or regulatory requirements in any jurisdiction, prevent fraud, crime or other activity that may cause harm in relation to the particular products or services provided, and help us run our business.

If you do not provide all of the information we request, we may no longer be able to provide a product or a service, including financial advice, to you.

Collecting and disclosing your personal information

We may disclose your personal information to anyone we engage to do something on your behalf such as a service provider, or other organisations that assist us with our business. We may also disclose your personal information to third parties such as a complaints body to whom a complaint relating to a product of service is referred, any party acquiring an interest in our business and anyone acting on your behalf.

We may also collect from the parties listed above any personal information they may hold about you which relates to our provision of financial advice.

We may disclose your personal information to an entity which is located outside Australia. Details of the countries where the overseas recipients are likely to be located are in our privacy policy.

As a provider of financial services, we have obligations to disclose some personal information to government agencies and regulators in Australia, and in some cases offshore. We are not able to ensure that foreign government agencies or regulators will comply with Australian privacy laws, although they may have their own privacy laws. By using our products or services, you consent to these disclosures.

Keystone is also required, pursuant to the Anti-Money Laundering (AML) and Counter-Terrorism Financing (CTF) Act and its corresponding rules and regulations to implement certain client identification processes. We may be required to obtain information about you at the time of providing financial services to you, and from time to time thereafter in order to meet our legal obligations. We have certain reporting obligations pursuant to the AML/CTF Act and information obtained from or about you may be provided to external third parties and regulators in accordance with the requirements imposed on us.

Collecting and disclosing your personal information

We are required or authorised to collect personal information from you by certain laws. Details of these laws are in our privacy policy which will be updated from time to time.

Our privacy policy is available at www.keystonepartnership.com.au or by calling us; our contact details are set out in Part 2 of this document. It covers:

- How you can access the personal information we hold about you and ask for it to be corrected;
- How you may complain about a breach of the Privacy Act 1988 (Cth), or a registered privacy code and how we deal with your complaint; and
- How we collect, hold, use and disclose your personal information in more detail.

Where you have provided information about another individual, you must make them aware of that fact and the contents of this privacy statement. Our contact details are set out in Part 2 of this document.



PART 3 – ARE YOU SATISFIED?

If you have a complaint or concern about the service provided to you, we encourage you to take the following steps:

1. Contact us first about your concern
2. If your concern is not resolved to your satisfaction, you may contact us by:

Writing

Operations Manager
Keystone Partnership
PO Box 46, Westcourt Qld 4870

Email

contact@keystonepartnership.com.au

Phone

1800 KEYSTONE (1800 539 786)

3. If your concern is not resolved, or if you are not satisfied with the decision, you may lodge a complaint with the Australian Financial Complaints Authority (AFCA).

The Australian Financial Complaints Authority independently and impartially resolves disputes between consumers, including some small businesses and participating financial service providers.

The Australian Financial Complaints Authority provides an independent dispute resolution process covering complaints about financial services including; banking, credit, loans, general insurance, life insurance, financial planning, investment stock broking, managed funds and pooled superannuation trusts.

You may contact the Australian Financial Complaints Authority by:

Writing

Australian Financial Complaints Authority
GPO Box 3, Melbourne Vic 3001

Email

info@afc.org.au

Website

www.afc.org.au

Phone

1800 931 678

4. The Australian Securities and Investment Commission (ASIC) is Australia's corporate, markets and financial services regulator. ASIC contributes to maintaining Australia's economic reputation by ensuring that Australia's financial markets are fair and transparent and is supported by informed investors and consumers alike.

ASIC seeks to protect consumers against misleading or deceptive and unconscionable conduct affecting all financial products and services. You may contact ASIC by:

Writing

Australian Securities and Investment Commission
GPO Box 9827, Your Capital City or
PO Box 4000, Gippsland Mail Centre Vic 3841

Website

www.asic.gov.au



[Phone](#)

1300 300 630

5. The Financial Planning Association of Australia Limited (FPA), is the peak professional body for financial planning in Australia. The FPA provides the leadership and professional framework that enables members to deliver quality financial advice to their clients. All FPA members are bound by professional, technical and ethical standards as provided in the FPA Code of Professional Practice.

The FPA has effective and appropriate policies and procedures in place to assist you with your complaint and ultimately help protect consumers and those planners doing the right thing. You may contact the FPA by:

[Writing](#)

The Investigations Manager

FPA

GPO Box 4285, Sydney NSW 2001

[Website](#)

www.fpa.asn.au

[Phone](#)

1300 626 393

Before you send your concern to any of these respective bodies, please contact them first to understand the process of lodging your concern with them.

