

GETTING AHEAD FOR GOOD

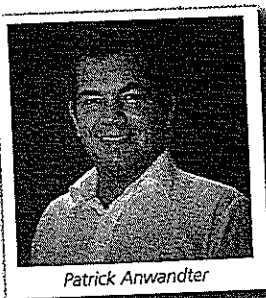
Two philanthropic planners will ditch their dreads to raise bucks for charity and highlight the issue of platform rebates.

Strategy Financial Planning advisers Patrick Anwandter and David Price will take part in the World's Greatest Shave on March 16 – and want the industry to back their efforts.

Price established Strategy Financial Planning, based in Brookvale, Sydney, in September 2005 as a strictly fee-for-service business.

Strategy uses a platform, does not pay rebates to advisers and any rebates it does receive, for example insurance commissions and brokerage, are either paid back to the customer in cheaper fees or paid to charity, if the client consents.

"Clients either receive [the rebate] or they're



Patrick Anwandter



David Price

happy for me to donate it to charity. Absolutely you have to work harder, but it's okay, I can sleep at night," Price says.

To sponsor the pair and help fund research to cure leukaemia, visit www.worldsgreatestshave.com and enter Strategy First in the group name section. The Leukaemia Foundation will e-mail a receipt for tax purposes.

March 2007

Strategy First gives rebates to charity

By Darin Tyson-Chan

IN an effort to reinforce the principal of independence, a Sydney-based financial planning practice working under a pure fee-for-service business model has decided to donate the rebates it receives from its platform provider to a registered charity.

"I have a problem when people put their hands up and say I am an independent adviser and they still receive the commission and or the rebate from product providers," Strategy First Financial Planning director David Price said.

"Even if they disclose it if

Strategy First donates rebates to charity

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their revenue source is channelled through a particular structure, and that structure may be outside of their control, then I just don't see how they can sit there and say, 'I'm impartial and I can recommend any product for you', because in reality they can't," he said.

Strategy First Financial Planning had originally tried to refuse receiving the rebates, only to be informed the platform provider would then retain the reimbursement on its balance sheet.

Not satisfied with this result, the planning practice then approached its clients informing them of their share of the rebate, asking them if they wanted the money, and then requesting their permission to donate the amount to charity, the response to which was a positive endorsement for the initiative.

"It's not a large amount of money but that's not really the issue. The issue is where the revenue comes from," Price said.

Strategy First has chosen the Leukaemia Foundation as the charity that will receive the redirected rebate this year and is intending to continue the practice in future years.

In implementing this initiative, Price was also hop-



David Price

ing to encourage other planning practices in a similar situation to his to take the same course of action.

"This is our way of saying if you agree with me, do something about it, put your hand up and say, 'I'm happy to donate a part of my rebate, all of it or a percentage of it, to this charity or another charity'. I think until people start doing that the industry is not really going to be taken seriously," he said.

The financial planning practice is going to match the rebate donation with a donation of its own and is hoping to raise around \$40,000. The exercise has been timed to coincide with the Leukaemia Foundation's World's Greatest Shave promotion.

To that end both practice principals will also be shaving their heads to raise additional sponsorship dollars for the charity at a function they will be hosting at their offices on March 16.