

Financial Services Guide

ABOUT MADISON

Madison Financial Group Pty Ltd (“Madison”, “we”, “our” or “us”) is an Australian Financial Services Licensee (“AFSL”). Madison authorises the distribution of this Financial Services Guide (“FSG”). This FSG is designed to give you an understanding of our group before you receive any of our financial services and/or advice from us or our Authorised Representatives. In general terms, this FSG contains important information about:

- The financial services we provide
- How we and our related bodies corporate are paid
- Information that you need to supply to us before we provide our services
- How we manage any conflicts of interest
- Our compensation arrangements
- How we handle complaints
- Other information you need to know
- How we manage your personal information

This FSG is a very important document and we recommend that you read it carefully. If you need further explanation or you are unsure about any part of this document, we encourage you to ask us any questions you may have. You may contact us on 1300 789 575.

This FSG is made up of two parts:

- Part 1 – The Madison Financial Services Guide (this document); and
- Part 2 – The Adviser Profile.

Please note, if your adviser provides you with a Managed Discretionary Account Service (“MDA Service”), your adviser will supply you with a Madison MDA Service Financial Services Guide, which must be read in conjunction with Part 1 and Part 2 of this FSG. All of these documents together form the Madison FSG and must be read together.

ABOUT MADISON AND YOUR ADVISER

Madison is licensed under the Corporations Act 2001 (Cth) to provide financial product advice in relation to and deal in the following financial products:

- Basic deposit products
- Non-basic deposit products
- Securities
- Government debentures, stocks and bonds
- Life insurance investment products
- Life insurance risk products
- Managed investments
- Managed discretionary account services
- Retirement savings account products
- Standard margin lending facility
- Superannuation

Your adviser will be acting on behalf of Madison as an Authorised Representative when providing the financial services offered in this FSG. They must also provide you with their personal Adviser Profile. Madison is therefore responsible for the financial services and advice your adviser provides on behalf of Madison. As an Authorised Representative of Madison, subject to their authorisations and qualifications, they may provide you with a number of services, including but not limited to the following:

- Wealth creation
- Retirement planning advice
- Gearing strategies
- Personal and corporate superannuation
- Tax effective investment
- Personal risk insurance
- Business risk insurance
- Managed discretionary account services
- Managed portfolio services
- Centrelink planning advice
- Cash flow and debt reduction
- Portfolio review and ongoing service

Specific information about your adviser, their experience and specialisation/s are provided in their Adviser Profile.

Madison is responsible (together with your adviser) for services provided to you by your adviser in their capacity as a Madison Authorised Representative and not in any other capacity. It is very important that you are aware that a Madison Authorised Representative is restricted in offering you a range of products and services. This restriction is limited to an Approved Product List (“APL”) established by independent research and endorsed by our internal research team. The ability of your adviser to recommend some of the products on the APL may be further limited due to additional accreditation requirements by us. Where this is the case, full and complete disclosure of these limitations is set out in the Adviser Profile.

Some Madison Authorised Representatives also conduct business activities such as accounting, legal advice, direct property, general insurance, mortgages, super fund administration and other services. These services are not provided pursuant to Madison’s AFSL and fall outside Madison’s AFSL and professional indemnity insurance policy. In all your dealings with your adviser you must satisfy yourself as to who is responsible for the specific advice or service provided to you. Please discuss any issues with your adviser or call Madison on 1300 789 575.

THE INTERESTS, ASSOCIATIONS AND RELATIONSHIPS THAT MAY INFLUENCE OR AFFECT OUR ADVICE

Madison is owned by SC Australian Holdings 1 Pty Ltd ACN 624 531 237 (“SC Australian Holdings”), which is a wholly owned subsidiary of Sargon Capital Pty Ltd ACN 608 799 873 (“Sargon Capital”).

RELATED PARTIES / ENTITIES

Our recommendations to you will be based on our assessment of your personal circumstances, needs and objectives. These factors underpin our advice, but it is important for you to appreciate that our interests, associations, relationships and the benefits we receive – such as commissions or marketing allowances – may give rise to an actual or potential conflict of interest. We manage such conflicts and will clearly disclose any conflicts that we believe may influence our advice.

Madison’s parent company, SC Australian Holdings has an interest or shareholding in the following:

- Proactive Portfolios Pty Ltd
- WealthPortal Pty Limited
- RetireSelect Super
- Advicenet Pty Ltd ABN 35 122 720 512 AFSL 308200

In addition, Sargon Capital owns other financial services companies, including:

- Tidswell Financial Services Ltd ABN 55 010 810 607 AFSL 237628 ACL 237628 RSEL0000888, which primarily operates as Trustee of Registrable Superannuation Entities, including Small APRA Funds, in addition to operating as Responsible Entity of managed investment schemes, offering commercial credit assistance and operating a legacy financial product advice business.
- Mammatius Pty Ltd ABN 74 101 393 435, AFSL 289890, which provides general financial product advice in its capacity as promoter of superannuation products.
- Responsible Entity Partners Limited ABN 11 119 757 596, AFSL 304542 which provides responsible entity services for managed investment schemes.
- Sargon CT Pty Ltd ABN 12 106 424 088 AFSL 258829, which provides custody and corporate trust services.
- Diversa Trustees Limited ABN 49 006 421 638 AFSL 235153 RSEL 0000635, which operates as Trustee of Registrable Superannuation Entities, including but not limited to RetireSelect Super and Hub24 Super, which appear on the Madison APL.
- CCSL Limited ABN 51 104 967 964 AFSL 287084 RSEL0000758, which operates as Trustee of Registrable Superannuation Entities.

GENERAL RELATIONSHIPS

Madison, SC Australian Holdings and or its related bodies corporate, receive licensee payments from financial institutions based on the average balance of all funds placed by Madison advisers in each relevant institution’s investment options. These payments include rebates, value participation schemes, administrative and marketing fees etc from a number of the institution’s approved and preferred administrative platform/s or product providers, in terms of percentage basis points on the amount/s individually invested for various marketing and related services. Only arrangements entered into prior to 1 July 2013 are subject to these payments.

These payments are paid out of the administrative platform/s or product provider’s own administrative fees and are not an additional payment from your investments. Madison constantly reviews the services of the platform/s and providers we actively support to ensure they remain highly competitive across a number of parameters including pricing, functionality and service delivery.

These licensee payments assist us to offset the operational expenses incurred in maintaining administrative and compliant services to the Madison Authorised Representatives (that is, your adviser) network, and those businesses that operate under our AFSL.

These licensee payments are received from: **Asgard Personal Choice, Asteron Risk, Australian Money Market, BT, BWA Managed Investments, Charter Hall, Cromwell, First Choice** (“Colonial First State”), **Franklin Templeton Investments, LaTrobe Financial, Macquarie Specialists Investments, Macquarie Wrap** and cash products, **Magellan, MLC, MWrap** (“BT Wrap Badge”), **OnePath Risk, OneVue, Pinebridge, RetireSelect, Russell Investments, TAL, WealthDirect, WealthPortal** and **Zurich**.

The maximum licensee payments that we are entitled to receive are listed in the table below (including GST). For example, if you had \$10,000 invested for a year in an investment product for which the licensee payment was 0.55%pa, the annual payment to us is \$55 (0.55% of \$10,000) and is paid for as long as you hold that product.

Platform/Provider	Additional payment receivable if \$10,000 of your funds was invested with the platform or provider
Admin Platform/s	0.552% or \$55.20
Investment Products	0.55% or \$55
Risk Products	11% or \$1,100
Structured Products	1.1% or \$110
Tax Effective Products	5.5% or \$550

OTHER DOCUMENTS YOU MAY RECEIVE

If we provide you with personal financial advice, we will confirm our recommendations in writing so that you can make an informed decision about the appropriateness and suitability of our advice. Our recommendations will be documented in a Statement of Advice (“SoA”) and will be provided to you. A Record of Advice (“RoA”) will be used to record any advice where we have provided you with subsequent advice and where your personal circumstances have not changed. You may request a copy of any SoA, RoA or FSG that we have provided to you up to seven (7) years after the date it was provided to you at no cost to you.

If we recommend a particular financial product, we will give you information about that financial product in a document called a Product Disclosure Statement (“PDS”), which contains specific and important information. It is very important for you to read and understand any PDS that we provide you before you can take any action or make a decision in relation to a financial product recommendation.

A Fee Disclosure Statement (“FDS”) will be issued to you in instances where you have entered into an Ongoing Service Arrangement with your adviser for a period greater than 12 months. The FDS will contain information about the services you were entitled to receive, the services you received and the applicable fees for services rendered during the period.

A Renewal Notice may be issued to you in instances where you have entered into an Ongoing Service Arrangement with your adviser for a period greater than 12 months if you have engaged our service from 1 July 2013. The Renewal Notice requires you to elect to renew or terminate the Ongoing Service Arrangement. You have the right to terminate your Ongoing Service Arrangement at any time by notifying us or your adviser.

In most cases personal advice will be provided, however if you do not require personal advice, general advice is available. We can also take your specific instructions to transact on your behalf and place a financial product (that Madison is able to offer) without providing any personal or general advice. After you engage us as your adviser, we can act on your instructions whether you provide them by telephone, email, fax or other means of communication agreed to.

YOUR PRIVACY

Madison is required to collect personal information about you to provide you with our financial advice and services. We collect personal information so that we can:

- Identify you,
- Establish your requirements and provide products and services,
- Set up and manage your investment and insurance needs,
- Assess and manage your ongoing financial requirements,
- Understand your needs to improve our products and services.

If you give information to us about another person (like your partner) in relation to the services we provide, you have an obligation to let the other person know that we hold their information. We collect the following personal information:

- Full name, address, contact details,
- Employment details and financial circumstances,
- Details of your financial needs and objectives,
- Information about government assistance and medical history for insurance needs,
- Anything else relevant to the financial services you are seeking from us.

We are also legally required to store this information and records of any advice and services we provide to you. Information acquired by us in the course of providing our services will not be disclosed to any other party without your express consent, except as required by law or professional obligation. We may use your information for purposes including:

- other companies within our group;
- information technology providers;
- assisting you to prepare an application for a financial product;
- telling you about other products or services we make available unless you tell us not to;
- allowing us to perform administrative tasks including outsourcing paraplanning services;
- as required by law, regulation or codes binding us such as the Australian Financial Complaints Authority; and
- any purpose to which you have consented.

We are not likely to disclose your information to organisations overseas. However, we may store your information in cloud or other types of networked or electronic storage. As electronic or networked storage can be accessed from various countries via an internet connection, it's not always practicable to know in which country your information may be held.

If we ask for your personal information and you do not give it to us, we may not be able to provide you with any financial services. For detailed information on how we handle your personal information, please see our Privacy Policy located on www.madisonfg.com.au. If you wish to review your personal information held by Madison, please contact your adviser or call Madison direct on 1300 789 575.

MADISON AND YOUR ADVISER'S REMUNERATION

The cost of providing our service to you will depend upon the nature of the service provided. Madison and your adviser will receive some or all of the following types of remuneration:

Financial Planning Advice Fee	Before the provision of any advice or service, your adviser may charge you an upfront fee for services based on any of the following: <ul style="list-style-type: none"> • The time they spend developing your advice; • A fixed dollar amount; • A percentage of funds invested; • A combination of some or all of these methods.
Commissions	Commission may be paid to Madison by the provider of the financial products which your adviser has recommended and the percentage varies depending on the product: <ul style="list-style-type: none"> • Ongoing commission (also known as trail commission) is a percentage of the total investment balance (Please note that ongoing commission only applies to advice provided before 1 July 2013). • Commissions on insurance products are based on a percentage of the premium. Further information about commissions (if applicable) can be found in the Adviser Profile.
Adviser Service Fee	An Adviser Service Fee (also known as Ongoing Service Arrangement) can be payable where you have agreed with your adviser in writing. This fee is an additional cost to you and can be deducted from your investments or paid directly.
Referrals	Should you be referred to your adviser by a third party, (e.g. accountant) the third party may receive a fee or other benefit for the referral. This fee comes out of the fees received by Madison and your adviser and does not represent an additional cost to you.
Alternative Remuneration	Madison and your adviser may receive non-monetary remuneration, such as entertainment and gifts, from financial institutions. In accordance with the Industry Code of Practice, both Madison and your adviser must maintain a register of these benefits received. Copies of these registers are available on request.

Further information on remuneration details and actual 'splits' between Madison and your adviser is provided in Part 2 of this FSG. All fees are payable to Madison. Madison receives all fees and commissions and may pass up to 100% of these through to each Corporate Authorised Representative or, where an Authorised Representative is not part of a Corporate Authorised Representative, to the Authorised Representative.

Details of the amount that is retained by Madison, relative to the advice provided to you, can be found in the Statement of Advice (and may also be provided in a Record of Advice if there is any change to this amount as a result of the advice provided to you).

The basis and amount of all fees, commissions, adviser service fees and any referrals fees will be fully disclosed in your SoA, RoA, Ongoing Service Arrangement or Letter of Engagement and explained by your adviser prior to the implementation of any advice. An explanation of the fees and charges of the product provider will also be outlined in the relevant PDS.

REPORTING YOUR CONCERNS OR MAKING A COMPLAINT

Madison is committed to providing a high level of client satisfaction and maintaining our reputation for honesty and integrity. If you believe we have failed to achieve this, we would like you to tell us about your concerns. Madison is committed to resolving any client concerns and aim to deal with any complaints quickly and fairly. If you have a complaint, it may be lodged either verbally or in writing by contacting your adviser to discuss your complaint, or by contacting us.

You can contact Madison's Head of Governance to make a complaint on:

Telephone: 1300 789 575

In writing: Madison Financial Group Pty Ltd, Head of Governance, PO Box R1776, Royal Exchange NSW, 1225.

We will then investigate your complaint and provide a resolution to your complaint within 45 days. Some complex matters may require an extension to thoroughly investigate. We will notify you if we require more time to investigate your complaint. If a complaint is not resolved to your satisfaction or you are not satisfied with the way we handled your complaint, you have the right to make a complaint, free of charge, to the Australian Financial Complaints Authority (AFCA). AFCA is an external dispute resolution scheme that provides a free service to clients and is an independent and impartial body that will deal with your complaint.

You can contact AFCA on:

Telephone: 1800 931 678

Email: info@afca.org.au

In writing: Australian Financial Complaints Authority Limited, GPO Box 3, Melbourne Victoria, 3001.

Website: www.afca.org.au

PROFESSIONAL INDEMNITY INSURANCE

Madison has professional indemnity insurance in place to cover both Madison and our advisers (including the conduct of those advisers who are no longer authorised by Madison but were so at the time of the relevant conduct) for the financial services we and our advisers provide. This insurance satisfies the requirement imposed by the *Corporations Act 2001* s912B and any other relevant financial services regulations.

Note: The FSG is only complete when accompanied by an Adviser Profile

Adviser Profile

The financial services are offered to you by:

SHELLEY JANE MARSH (ASIC No. **1248496**), as an Authorised Representative of MADISON FINANCIAL GROUP PTY LTD ("Madison") and as a representative of:

MARSH FINANCIAL ADVICE PTY LTD

ABN No: 37 662 145 920
ASIC No: **1259913**
Address: 136 Marrickville Road
Marrickville, NSW, 2204
Telephone No: **0417 654 038**
Email: shelley@marshfinancialadvice.com.au



MARSH FINANCIAL ADVICE

YOU + YOUR LIFE + YOUR MONEY

I have been providing financial services advice to clients since 2016 and have been a representative of Madison since 7 October 2016

I hold the following qualifications:

- Bachelor of Economics (Honours)
- Graduate Diploma in Applied Finance & Investments
- Diploma of Financial Planning
- Advanced Diploma of Financial Planning

I am a member of:

- Stockbrokers Association of Australia (Master Stockbroker)
- Justice of the Peace (JP)
- Financial Planning Association (FPA)

I am **authorised** by Madison to provide personal advice, general advice and to deal in:

- Basic Deposit Products
- Non-Basic Deposit Products
- Government Debentures, Stocks and Bonds
- Life Insurance Investments Products
- Life Insurance Risk Products
- Managed Investments
- Securities
- Retirement Savings Account Products
- Superannuation
- Standard Margin Lending Facility

I am **not authorised** by Madison to provide personal advice, general advice and to deal in the following:

- Managed Discretionary Account Services

As part of my services to you, I am able to provide advice on the following:

- Wealth Creation and Retirement Planning
- Personal and Corporate Superannuation
- Personal and Business Risk Insurance
- Managed Portfolio Services
- Centrelink Planning Advice
- Cash Flow and Debt Reduction Strategies
- Portfolio Review and Ongoing Service
- Direct Equities
- Self-Managed Superannuation Funds
- Gearing Strategies

Adviser Profile

How do I charge my clients for my services?

Financial services can be paid for in the following manner, inclusive of GST

- (a) An hourly financial planning advice rate from \$484
- (b) Statement of Advice fee: starting at \$2,750 depending on the complexity of the advice
- (c) Ongoing Service fee from \$2,400 per annum.

Commissions on insurance products. For all new insurance policies either applied for from 1 January 2019 or applied for pre- 1 January 2019 and accepted on or after 1 April 2019, a maximum commission of 77% (including GST) of the first years' premium and a maximum commission of 22% (including GST) of the second and subsequent years premiums. For example, if your insurance policy was applied for on 1 January 2019 and your premium for the first year is \$2,500, we will receive up to \$1,925 in commissions ($\$2,500 \times 77\%$). If the premium amount for the second and subsequent year is \$2,600, we will receive up to \$572 in commission ($\$2,600 \times 22\%$). For all insurance policies in force prior to the above dates, the maximum commission payable was 121% (including GST) of the first years' premium. The commission payable in the second and subsequent years varied depending on the commission structure.

For preparation of a strategy recommendation and implementation we quote our fees on an individual basis depending upon the type of advice required and the level of complexity of the advice. We will always advise you of our terms of engagement prior to commencing work on your behalf. All costs quoted are GST inclusive. An ongoing commission may also be received.

How am I paid?

- (a) All fees and gross commission payments are shared between my practice and Madison under a split sharing arrangement fixed at 95%. For instance, every \$1,000 of income received by Madison will generate \$950 of income to me.
- (b) The practice in which I am employed receives fees and commissions from business generated and remunerates me by way of salary. As owner of Marsh Financial Advice Pty Ltd, I am entitled to the profits generated by the business
- (c) I am required to keep a Register of Alternative Remuneration which shows any payment other than fees and commissions which may be received by me from fund managers or product providers. This register is available for inspection with 7 days' notice in writing.

Important Note **The Adviser Profile forms an essential part of the Madison Financial Services Guide and must be read in conjunction with the Madison Financial Group Pty Ltd Financial Services Guide Part 1. The Madison Financial Services Guide is not complete without it.**