

# Financial Services Guide

13th July 2020



Wagtail Wealth Pty Ltd, ABN 65 636 400 863, is a Corporate Authorised Representative (Corporate Authorised Representative Number 1279267) of Madison Financial Group Pty Ltd ("Madison"), ABN 36 002 459 001, Australian Financial Services Licence Number (AFSL) 246679.

References to "our", "we", "us", "I" and "me" refer to Wagtail Wealth Pty Ltd and/or Cassandra Sorby-Adams, both of whom are Authorised Representatives of Madison.

Madison authorises the distribution of this Financial Services Guide ("FSG"). This FSG is designed to give you an understanding of both Madison and Wagtail Wealth Pty Ltd, before you receive any financial services and/or advice from us. In general terms, this FSG contains important information about:

- About our business
- Documents you may receive
- About Madison
- How we manage your personal information
- How we charge for our services
- How we are paid
- How our Advisers are paid
- The interests, associations and relationships that may influence our advice
- Madison's Related Parties
- Reporting your concerns or making a complaint
- Professional Indemnity Insurance

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.

## ABOUT OUR BUSINESS

Should you choose to engage Wagtail Wealth Pty Ltd, you will be working on your financial plan with:

Name	Cassandra Sorby-Adams
Authorised Representative Number	1237043
Email	cassandra@wagtailwealth.com.au
Qualifications, designations and memberships	I am a member of Association of Financial Advisers (AFA). I hold an Advanced Diploma Financial Planning and a Diploma of Financial Services (Financial Planning).
Madison authorises me to provide general and personal financial product advice and deal in	<ul style="list-style-type: none"><li>• Basic Deposit Products</li><li>• Non-Basic Deposit Products</li><li>• Government Debentures, Stocks and Bonds</li><li>• Life Insurance Investment Products</li><li>• Life Insurance Risk Products</li><li>• Managed Investments</li><li>• Retirement Savings Accounts Products</li><li>• Securities</li><li>• Superannuation</li></ul>

You can contact Cassandra on:

Address: PO Box 4157 Tranmere SA 5073

Telephone No: 0409 315 551

## 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 us 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 us 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 in writing via email or post.

In most cases personal financial product 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 we are authorised to provide personal financial product advice for) without providing any personal financial product advice. After you engage us as your Adviser, we can act on your instructions whether you provide them by telephone, email, or other means of communication agreed to.

## ABOUT MADISON

Madison is an Australian Financial Services Licensee, providing licensee services and support to our business. Madison is licensed under the Corporations Act 2001 (Cth) to provide financial product advice, and to deal, in relation to the following financial products:

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

Together with us, Madison is responsible for services and advice we provide to you in our capacity as your Financial Adviser, under our authorisation as an Authorised Representative of Madison.

Madison has an Approved Product List (APL), which lists financial products for which independent research has been undertaken and they are approved for Madison Advisers to recommend. If a financial product we believe is in your best interest to hold or acquire is not on the Madison APL, we will need to seek approval from Madison prior to any recommendation. If Madison does not grant this approval, we will discuss this with you.

## HOW WE MANAGE YOUR PERSONAL INFORMATION

We are 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
- Determine your goals and objectives
- Establish your requirements and provide products and services
- Set up and manage your investment and insurance needs
- Assess and manage your ongoing financial requirements

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 legally required to store this information and records of any advice and services we provide to you. We are also required to share this information with Madison as our AFSL. Information acquired by us while 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:

- Providing you with financial product advice
- 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 is 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 Madison's Privacy Policy at [www.madisonfg.com.au](http://www.madisonfg.com.au).

## HOW WE CHARGE CLIENTS FOR OUR SERVICES (ALL FIGURES INCLUSIVE OF GST)

Financial services can be paid for in the following manner (or combination of any of the below):

- (a) The first initial investment consultation is at no cost to you
- (b) An hourly investment advice rate of \$340
- (c) A maximum agreed investment flat fee of \$12,000 for a full financial plan

### INSURANCE COMMISSION

For all new insurance policies put into place from 1 January 2020, the insurer may pay a maximum commission of 66% of the first years' premium and a maximum commission of 22% of the second and subsequent years premiums. For example, if your insurance policy was put into force on 1 January 2020 and your premium for the first year is \$2,500, we will receive up to \$1,650 in commissions ( $\$2,500 \times 66\%$ ). 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% of the first years' premium. The commission payable in the second and subsequent years varies depending on the commission structure.

For investment products any arrangements in relation to commissions and other benefits that were in place prior to 1 July 2013 are grandfathered under the Corporations Act 2001 (Cth). The ongoing commission is a percentage of the value of your investment each year and is generally paid from the administration fees charged by the product provider. If this applies to you, details will be provided in your Advice Document.

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 Product Disclosure Statement (PDS). No fees will be payable by you in relation to our services or advice without your prior consent.

### HOW WAGTAIL WEALTH PTY LTD IS PAID

All revenue relating to our advice, including fees and commissions, are payable to Madison. This revenue is shared between our business and Madison under an arrangement fixed at 95%, up to a maximum amount. This means that for every \$1,000 of income received by Madison relating to financial advice and service provided by us, Madison will retain up to \$50 and pass through a minimum of \$950 to us.

Details of the amount that is retained by Madison, relative to the advice provided to you, can be found in your 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).

## HOW OUR ADVISERS ARE PAID

Wagtail Wealth receives fees and commissions from business generated and remunerates me by way of salary. As the sole owner of Wagtail Wealth, I am entitled to the profits generated by the business.

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

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 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.

## REFERRAL ARRANGEMENTS AND RELATED PARTY DISCLOSURES

We may make referrals to, or receive referrals from, other professionals. We do not pay, nor receive, any payments or benefits for these referrals.

## ALTERNATIVE REMUNERATION

Both we and Madison may receive non-monetary remuneration, such as entertainment and gifts, from financial institutions. These are recorded on a register of Alternative Remuneration. This register is available for inspection with 7 days' notice in writing.

## MADISON'S RELATED PARTIES

Madison is a wholly owned subsidiary of Clime Investment Management Ltd, ABN 37 067 185 899. Clime Investment Management Ltd (ASX: CIW) is a publicly listed financial services group.

Madison's parent company, Clime Investment Management Ltd has an interest or shareholding in the following:

- Proactive Portfolios Pty Ltd
- WealthPortal Pty Limited
- RetireSelect
- Advicenet Pty Ltd
- Clime Capital Limited (ASX: CAM)
- CBG Capital Limited (ASX: CBC)
- Clime Asset Management, an Australian-based fund manager specialising in Australian Equities and Fixed Income Investing. Clime Asset Management manages in excess of \$900 million through discretionary mandates for families, individuals and charities, retail and wholesale unit trusts for Australian and international investments, and the listed investment companies Clime Capital Limited and CBG Capital Limited.
- Clime Private Wealth Pty Ltd, a Corporate Authorised Representative of Clime Asset Management.
- Stocks in Value Pty Limited, a wholly owned subsidiary of CIW also manages and distributes the web-based equity research and valuation tool, Clime Direct

## **PAYMENTS RECEIVED BY MADISON AND ITS RELATED BODIES CORPORATE**

### **Licensee payments**

Madison, Clime Investment Management Ltd and/or its related bodies corporate, receive payments from financial institutions based on the average balance of funds placed by Madison Financial Advisers. Only arrangements entered into prior to 1 July 2013 are subject to these payments, which will cease on or before 31 December 2020. These licensee payments are received from: Asgard Personal Choice ("Beacon"), BT, Colonial First State Investment Limited, MLC Limited, and MWrap ("BT Wrap Badge").

These payments are paid out of the administrative platform/s or product providers own administrative fees and are not an additional payment from your investments. Madison constantly reviews the services of the platform/s and providers.

The maximum licensee payments that Madison is entitled to receive is 0.552% of the invested funds. For example, if you had \$10,000 invested for a year in an investment product for which a licensee payment is made, the maximum annual payment to Madison is \$55.20 (0.552% of \$10,000).

### Related party revenue

WealthPortal Pty Ltd (WealthPortal), a related party to Madison, receives sub-promoter payments from OneVue Wealth Limited. These payments are made for the services WealthPortal render to OneVue Wealth Limited regarding WealthPortal and RetireSelect.

ProActive Portfolios Pty Ltd ("ProActive), a related party to Madison, receives fees for management of the ProActive Model Portfolios.

## **REPORTING YOUR CONCERNS OR MAKING A COMPLAINT**

We are 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. We are 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 may also contact Madison's Head of Governance to make a complaint by:

Telephone: 1300 789 575

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

Madison will then investigate your complaint with the intention to provide a resolution within 45 days. Some complex matters may require an extension to investigate thoroughly. Madison 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 Madison have 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](mailto:info@afca.org.au)  
In writing: Australian Financial Complaints Authority Limited, GPO Box 3, Melbourne Victoria, 3001  
Website: [www.afca.org.au](http://www.afca.org.au)

## PROFESSIONAL INDEMNITY INSURANCE

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

## CONTACTING MADISON

Should you wish to contact Madison, you can do so by:

Email: [adviserservices@madisonfg.com.au](mailto:adviserservices@madisonfg.com.au)  
Phone: 1300 789 575  
Post: PO Box R1776, Royal Exchange NSW 1225  
Street: Level 12, 20 Hunter Street Sydney NSW 2000