

Financial Services Guide

Version 9 | 1 December 2023

This Financial Services Guide has been authorised for distribution by Elect Wealth Management Pty Ltd ABN 24 611 404 883



Introduction

This Financial Services Guide (FSG) is an important document which we are required to give you as an Australian Financial Service Licence (AFSL) holder. It provides you with information about Elect Wealth Management Pty Ltd and our Authorised Representatives, to help you decide whether to use the financial services we provide.

This FSG explains the services we can offer to you and the types of products we recommend. It explains how we (and other related persons) are remunerated for our services, and includes details of our internal and external complaints handling procedures and how you can access them.

If you choose to use our services you may also receive from us a Product Disclosure Statement (PDS), Statement of Advice (SOA) and/or a Record of Advice (ROA).

If we provide you with personal financial advice rather than general advice we will present you with either a SOA, or ROA. Personal advice is advice where we have taken into account one or more of your objectives, financial situation and/or needs. The SOA and ROA will contain the recommendations we are making and the basis for those recommendations. These documents will also explain how our recommendations will work towards achieving your goals, information about fees, commissions received by us, and any associations which may have influenced the advice.

You can request a copy of your ROA by contacting us any time up to seven years from the date of the advice provided.

When a financial product is recommended to you, you will be provided with a PDS issued by the product provider. The PDS contains information about the risks, benefits, features and fees payable in respect of the product. The PDS is designed to assist you in making an informed decision about whether or not to invest in that product.

If you have a current industry, employer or other superannuation fund we will only recommend a rollover to another superannuation fund if it is in your best interest.

Neither Elect nor its authorised representatives will provide advice on classes of financial products other than those authorised by Elect Wealth Management's AFSL.

As the holder of an AFSL, Elect Wealth Management is responsible for the advice and services provided to clients by our Authorised Representatives.

Who are we?

Established in 2017, Elect Wealth Management, AFSL No. 499272, offers a range of financial products and services that challenge traditional investment boundaries and offer diverse capabilities. Elect Wealth Management is the new licensee for the privately owned financial planning practice Scholten Collins McKissock which was established in 1986 by Neil McKissock.

Not Independent

We do not charge you a fee for advice on risk insurance advice because, if you implement our recommendations, we receive commission payments directly from the Insurer. Although we are required to act in your best interests, and we are privately owned, receiving payments from product issuers means that we are not considered to be independent.

SCMWM employs a group of qualified advisers with over 90 years of combined experience.

SCM Wealth Management ("SCMWM") is a corporate authorised representative (no. 342580) of Elect Wealth Management. As the authorizing Licensee, Elect Wealth Management is ultimately responsible for the conduct and activities of SCMWM and its employees.

SCMWM are located at Level 2, 917 Riversdale Road, Surrey Hills VIC 3127 and can be contacted on 039848 9811 or by email as admin@scmfg.com.au.

This FSG has been prepared and provided with the authority of Elect Wealth Management.

Elect's licence

Elect Wealth Management, and its representatives, are authorised to advise and deal in the following products:

- Deposit and Payment Products - Basic Deposit
- Life Products - Investment Life Insurance Products
- Life Products - Life Risk Insurance Products
- Managed Investment Schemes including IDPS
- Retirement Saving Account Products
- Securities, including, but not limited to, Government Debentures, Stocks and Bonds
- Standard Margin Lending Facilities; and
- Superannuation

We have clients all over Australia who are using our experience to create wealth, enjoy a comfortable retirement, protect assets and assist in administering their financial affairs.

Our goal is to utilise our clients' assets, as well as their incomes, to achieve their personal goals without adversely affecting their current lifestyle. We are committed to providing the highest quality of advice and continued excellence in our service to you.

Why are we different?

Unlike many financial advisory firms, we are a privately owned and run Australian Financial Service Licensee.

We only recommend strategies and products that best suit our clients' needs.

We offer personal advice tailored to each of our valued clients' needs.

What do we offer?

- Wealth accumulation
- Income and asset protection

- Strategic advice
- Tax effective strategies
- Superannuation and rollover advice
- Retirement planning
- Redundancy advice
- Estate planning assistance
- Government (Social Security) benefit advice
- Cashflow management
- Portfolio review service

What are our financial advisers authorisations?

- Deposit and Payment Products - Basic Deposit
- Government Debentures, Stocks and Bonds
- Life Products - Investment Life Insurance Products
- Life Products - Life Risk Insurance Products
- Managed Investment Schemes including IDPS
- Retirement Saving Account Products
- Securities
- Standard Margin Lending Facilities; and
- Superannuation

Who are your advisers?

Your financial advisers are representatives of and offer services on behalf of Elect Wealth Management Pty Ltd.

Matthew Scholten

Authorised Representative No. 241940

Trent Collins

Authorised Representative No. 241820

Christopher Fagan

Authorised Representative No. 340853

Luke Spiller

Authorised Representative No. 406989

Con Gianna

Authorised Representative No. 1003720

Michael Toal

Authorised Representative No. 241848

Elect Wealth Management's Associate Advisers are:

Emily Macdonald

Authorised Representative No. 1270120

Mitchell Fidas

Authorised Representative No. 1270121

Elect Wealth Management is committed to mentoring our Associate Advisers in line with the Professional Standards of Financial Advisers reforms introduced into the Corporations Act in March 2017.

Our Advisers are salaried employees who may also receive a performance bonus based on certain performance criteria, such as client feedback, compliance measures and the

revenue they generate. Advisers bonus potential does not influence their advice or recommendations made to our clients.

What we will not do

We will not provide advice on products that are not supported by independent research and approved by our Investment Committee.

Your adviser does not have authority to advise on products that are not approved by Elect Wealth Management.

We will not provide advice on classes of financial products other than those authorised under Elect's AFSL.

What do we expect from you?

If you engage us to help you achieve your financial goals and objectives, we expect that you will provide us with the current, complete and accurate information we need to provide advice that is in your best interests.

We expect that you will use our advice to enable you to make informed financial decisions.

We also expect that, where appropriate, you'll inform us of any changes to your needs or circumstances that may influence your future objectives.

What do we do with the personal information we collect?

From time to time, we may disclose your personal information to team members we engage to do something on our behalf such as service providers and other organisations that assist us with the day to day running of 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 or service is referred, any party acquiring an interest in our business and anyone acting on your behalf.

We may also collect personal information from the abovementioned parties which relate to the provision of our financial advice to you.

We may store your information in the cloud or other types of networked or electronic storage. Electronic or networked storage can be accessed from various countries. If your information is stored in this way, we are not able to ensure that foreign government agencies or regulators will comply with Australian privacy laws, although they have their own privacy laws.

As a financial service provider, we have an obligation under the Anti Money Laundering and Counter Terrorism Financing Act (AML/CTF Act) to verify your identity and the source of any funds. This means that we will ask you to present identification documents such as your passport and driver's licence. We cannot provide you with services if you are unwilling to provide this information.

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.

Privacy policy

We are required and/or authorised to collect personal information from you by certain laws. Details of these laws are in our privacy policy available at scmwm.com.au

Our privacy policy discloses in greater detail:

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

We will from time to time update our privacy policy.

In the instance you have provided information about another individual, you must make them aware of that fact and the contents of this privacy statement.

We will use your personal information to contact you or send you information about other product and services offered by us. If you do not wish to receive marketing communications from us, please contact us.

How are we paid for the services we provide?

Our initial consultation is at no cost to you and without obligation. After the first meeting, your adviser will discuss the fees and charges that will be applicable to your individual circumstances.

Due to the varying nature of individual client cases, our fee for the SOA preparation, implementation and our ongoing management service will be disclosed in writing on an individual basis and may include the following:

Initial Advice Fees

Statement of Advice Preparation:

If you elect to have us prepare an advice document (SOA) for you we will charge a fee.

The fee will depend on the size of the investment portfolio and the complexity of the advice. This fee will be agreed in writing with you prior to commencement.

The minimum fee charged is \$2,000 (inc GST) while the maximum fee is \$22,000 (inc GST) subject to any express agreement otherwise.

Implementation Fee

If you elect to proceed with our recommended advice we may elect to charge you a fee for implementing that advice.

Similar to the Initial Advice fee, this fee will depend on the size of the investment portfolio and the complexity of the advice. This fee will be agreed in writing with you prior to commencement.

The minimum fee charged is \$500.00 (inc GST) to a maximum amount of \$25,000.00 (inc GST) but may be in excess of this amount subject to express agreement with you.

Ongoing Management/Fixed Term Service Fees

Our ongoing management and fixed term service fees are a 'fee for service' and may be either an agreed flat fee or based on a percentage of the funds under management. This fee could range from \$3,500 (inc GST) to \$50,000 (inc GST) or 0.55% pa to 1.25% per annum (GST inclusive) of funds under management. For example, if you have \$500,000 to invest, our ongoing fee for advice may be 1.1% or \$5,500 (GST inclusive).

Fees are agreed to prior to implementation and documented within our Service Agreement to be signed by both parties.

Many of our clients engage us to provide ongoing advice and support using fixed-term service agreements but if we have an ongoing fee arrangement with you, which exceeds 12 months, we will provide you with a Fee Disclosure Statement (FDS) annually. This sets out the fees you have paid to us, the services that we contracted to provide and what we did provide to you over that period and the fees and services for the following 12 months.

Additionally, every year we will request your written consent to our ongoing engagement. Whether you renew your consent is a matter for you, but without consent we cannot provide you with ongoing advice and services.

Consultancy - Hourly Rate

Where you choose to access our services on an adhoc basis, our hourly fees (inc GST) are as follows:

Principal	\$400
Financial Planner	\$275
Administration	\$165

Insurance Products

Initial and ongoing commissions from insurance providers may be received by Elect Wealth Management. These commissions are paid to Elect Wealth Management by the company that issues the product we recommend to you and included in the premiums you pay for the product. Commissions will 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 Elect Wealth Management. Ongoing commissions are payments paid by the product issuers to Elect Wealth Management in the years after the first year. The relevant



insurer will pay initial commission between 0% and 66% (inc GST).

The relevant insurer may also pay an ongoing commission between 0% - 33% (inc GST) of the annual premium for as long as you hold the product.

Example: We recommend an insurance product to you with an annual premium of \$450 (inc GST). Elect Wealth Management may receive up to \$297.00 (inc GST) as an initial commission. Assuming the policy stays the same each year, Elect Wealth Management may receive up to \$148.50 (inc GST) as an ongoing commission.

We may receive commissions on increases or additions to existing policies put in place before 1 January 2018 of up to 130%, and between 88% to 66% for policies written after that time.

Commissions are paid to us by the product provider and are not an additional cost to you.

Combination of Initial, Ongoing Management Fees and Insurance Commissions

Full disclosure of all fees and insurance commissions will be contained in the Statement of Advice we prepare for you.

What fees or other benefits are received?

Elect Wealth Management's calculation of fees is dependent on the level of service appropriate to the needs of the client. We have many levels of service each providing benefits tailored to each individual client.

Implementation and ongoing fees can be debited via the agreed investment platform or paid directly to us (upon invoice to you).

Ongoing fees vary depending on the services provided. These fees are discussed and agreed with you in writing prior to the implementation of any recommendation provided in our Statement of Advice. If our fees fall outside the ranges stated we will inform you of the exact fee and seek your consent prior to engagement.

Non-Monetary Benefits

Elect Wealth Management Pty Ltd and its representatives do not typically receive a benefit from product providers. In the event they do receive non-cash benefits with a cash value less than \$300 the details of benefits between \$100 and \$300 will be maintained on a register. A copy of the register is available on request for a small charge.

Do any relationships exist which might influence the service or advice received?

Related Entities

The Directors and shareholders of the AFSL are also Directors and shareholders of SCM Financial Group. SCM Financial Group owns SCM Finance Solutions Pty Ltd which provides mortgage broking services and SCM Accounting and Advisory Pty Ltd which provides accounting and business advisory/support services.

Your adviser may recommend you speak to either SCM Accounting and Advisory or SCM Finance Solutions to assist you with your accounting and finance needs. Your adviser does not receive any additional benefits for recommending you to a related business.

Separately Managed Accounts

Elect Wealth Management operate their own Separately Managed Accounts (SMA) via the Macquarie Wrap, MLC Wrap and Netwealth platforms that may be recommended to you by your adviser if they are appropriate for your circumstances.

Elect Wealth Management SMAs are offered in collaboration with Evergreen Consultants as the asset consultant and Macquarie, Navigator Australia Limited (MLC) or Netwealth appointed as the Responsible Entity and operator of the administrative investment platform.

Evergreen Consultants, Macquarie, Navigator and Netwealth receive fees for their involvement in our SMAs that will be disclosed to you in your Statement of advice if we recommend one of these accounts to you.

Elect Wealth Management and your adviser do not receive any additional investment fees for managing the investments in the SMAs on your behalf.

Joint Venture

SCM Financial Group has a Joint Venture arrangement, SCM Insurance, with MBS Insurance to provide personal life risk advice

Both parties share equally in the profits of the Joint Venture.

Referrals

You may be referred to an external specialist to receive further advice. We do not receive any referral fees or commission for introducing you to the specialist. You are free to engage your own preferred professionals.

Will you give me advice that is suitable to my investment needs and financial circumstances?

Yes. However, to do so we need to find out your individual investment objectives, financial situation and needs before we recommend any investment or risk products to you.

You have the right not to divulge this information to us, if you do not wish to do so. In that case, we are required to warn you about the possible consequences of us not having your full personal information. You should read the warnings carefully.

Can I tell you how I wish to instruct you to buy or sell my investments?

Yes. You may specify how you would like to give us instructions. For example, by telephone, in writing or by email. Generally, we will need you to provide your instructions in writing (for example, electronically, by e-mail or by letter) or another method agreed by us.

What should I know about any risks of the investments or investment strategies recommended to me?

We will explain to you any significant risks of investments, insurances and strategies that we recommend to you. Please ask us for further clarification if needed.

Can I examine my file?

Yes. If you wish to examine your file, you should ask us and we will make arrangements for you to do so.

Professional indemnity insurance

Elect Wealth Management confirms that it has arrangements in place to ensure it continues to maintain Professional Indemnity insurance in accordance with Section 912B of the Corporations Act 2001 (as amended).

Elect Wealth Management and our authorised representatives/representatives/employees are insured in respect of our authorisations and obligations under our Australian Financial Services Licence.

This insurance will continue to provide such coverage for any authorised representative/ representative/ employee who has ceased work with Elect Wealth Management for a minimum of 6 years from the date of ceasing the relationship.

What should I do if I have a complaint?

We are committed to providing quality advice to our clients.

This commitment extends to providing accessible complaint resolution mechanisms for our clients. If you have any

complaint about the advice or services provided to you, you should take the following steps:

1. Please contact your adviser so they can act immediately. Your Adviser will try to resolve any complaint you may have, acknowledging your complaint in writing within 24 hours (or 1 business day);
2. If your complaint is not satisfactorily resolved within 5 days or you would prefer not to speak with your financial adviser, please contact Elect Wealth Management on (03) 9848 9811 or put your complaint in writing, addressing your concern to Mr Aubrey Roga, Chief Executive Officer (CEO), Elect Wealth Management, PO Box 120 Middle Camberwell VIC 3124. Your complaint will be acknowledged within 24 hours (or 1 business day), our CEO will manage your complaint through to resolution, whereby you can expect a response within 30 days. Our response will outline our findings and include information that may help you understand our position.
3. If we are unable to resolve your complaint to your satisfaction within 30 days, you can raise your complaint with the Australian Financial Complaints Authority (AFCA) in writing to GPO Box 3, Melbourne VIC 3001, email: info@afca.org.au, via their website www.afca.org.au or call 1800 931 678. Elect Wealth Management is a member of this complaints resolution service;
4. If your concern involves unethical conduct, you may wish to consider raising these concerns with the Financial Planning Association of Australia (Professional Standards and Complaints), GPO Box 4285, Sydney NSW 2001 or email professional.standards@fpa.com.au. If your concern relates to your personal information you may wish to consider raising these concerns with the The Privacy Commissioner, GPO Box 5218, Sydney NSW 2001, call 1300 363 992 or email privacy@privacy.gov.au. You may also contact the Australian Securities & Investments Commission (ASIC) on 1300 300 630 (free call info line) to make a complaint and obtain information about your rights.

