

1 July 2019

Financial Services Guide

Licensee:
Escala Wealth Management Pty Ltd
(AFSL 456207 ABN 30 162 573 828)

This Financial Services Guide (FSG) is authorised
for distribution by Escala Wealth Management.

Authorised Representatives:
Escala Partners Limited
(ASIC# 439722 ABN 74 155 884 236)

The Authorised Representatives act on behalf of
Escala Wealth Management who is responsible for
the services that they provide.

Contact:
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Melbourne VIC 3000

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Why am I receiving this document?

This Financial Services Guide (FSG) will help you decide whether to use the services that are offered by Escala Partners. It contains information about:

- The services we offer and their cost
- Any conflicts of interest which may impact the services
- How we are remunerated
- How we deal with complaints if you are not satisfied with our services.

Escala Wealth Management

Escala Wealth Management holds an Australian Financial Services Licence. It has in place professional indemnity insurance which it considers adequate to meet the requirements in section 912B of the Corporations Act (relating to retail client compensation arrangements) for financial service provided by its current and past representatives.

What services do we provide?

Escala Partners is authorised to provide general and personal advice and dealing services in the following areas:

- Managed investments
- Securities (direct shares)
- Derivatives
- Deposit products
- Government bonds and debentures
- Superannuation including SMSF
- Margin lending facilities
- Foreign exchange contracts



The financial advice process

Where we provide personal advice, we will listen to you to understand your objectives and circumstances. We will also ask questions to make sure we provide advice which is in your best interests.

When we first provide personal advice to you it will be explained thoroughly and documented in a Statement of Advice (SoA) which you can take away and read.

The SoA will explain the basis for our advice, the main risks associated with the advice, the cost to you of implementing the advice, the benefits we receive and any conflicts of interest which may influence the advice.

If we recommend investment platforms and managed funds, we will provide you with the Product Disclosure Statement for those products. This contains information to help you understand the product being recommended.

At all times you are able to contact us and ask questions about our advice and the products we recommend.

You can provide instructions to us in writing, via phone or via email. In some cases, we may require you to provide signed instructions.

We may provide further advice to you to keep your plan up to date for changes in your circumstances, changes in the law and changes in the economy and products.

If we provide further advice it will typically be documented in a Record of Advice (RoA) which we retain on file. You can request a copy of the RoA document at any time up to 7 years after the advice is provided.

Fees

All fees are payable to Escala Partners.

Initial Advice Fees

We will generally not charge you a fee for our initial advice. If we do intend to charge a fee, we will agree the fee with you before providing any services.

Ongoing Advice Fees

Our ongoing fees will depend on the services that we provide to you. The fee will typically be a % of your portfolio value charged each month. On some occasions we may charge you a transaction fee based on the value of the transaction.

The services and fees will be set out in the SoA or RoA.

Placement Fees

Escala Partners may receive placement fees on debt and equity raisings undertaken by product issuers. These include initial public offerings, share placements and rights issues. These are one-off payments and generally based on a % of the funds you invest.

You will be advised of any placement fees we receive when we provide you with advice.

Commissions

Escala Partners does not receive commissions from product providers other than on cash management accounts and margin loan facilities that were established prior to July 2014.

Where we do receive a commission, it will generally be based on the value of your cash management account or margin loan. You will be advised of the exact amount in the SoA.

Other Benefits

Escala Partners may receive other benefits from product providers such as training, meals and entertainment. Details of any benefits received above \$100 will be maintained on a register which is available to you on request.



Advisor Remuneration

Our advisors are employees of 2nd Chapter Pty Ltd and receive a salary. They may also receive a performance bonus and dividends from 2nd Chapter Pty Ltd.

Shareholders of 2nd Chapter Pty Ltd receive a share of the revenue generated by Escala Partners.

2nd Chapter Pty Ltd is the management company of Escala Partners.

Powerwrap

Since our previous advice, there have been changes to the relationship between Powerwrap and the directors and Authorised Representatives of Escala Partners.

We continue to recommend the use of the Escala Investment Account (which is part of the Powerwrap Investment Account, a registered managed investment scheme (ARSN 137 053 073) (Scheme)) as the administration platform for your account. The Authorised Representatives, directors of Escala Partners Limited and their related entities may directly or indirectly (e.g. through a trust or superannuation fund) hold shares in the responsible entity of the Scheme, Powerwrap Limited (ABN 67 129 756 850). Powerwrap Limited is remunerated for acting as responsible entity of the Scheme, and is listed on the Australian Securities Exchange.

Conflicts of Interest

We may recommend investments in shares that she and her associated parties hold or may hold in the future. We will manage any conflicts of interest to ensure our advice is always in your best interests. We will also tell you about any conflict of interest when we provide advice.

Wholesale Clients

In some circumstances we may provide services to you as a wholesale client. We will seek your consent before providing services to you as a wholesale client.

Making a Complaint

We endeavour to provide you with the best advice and service at all times.

If you are not satisfied with our services, then we encourage you to contact us. Please call us or put your complaint in writing to the attention of Pep Perry (Escala Partners CEO) at our office.

If you are not satisfied with our response you can refer it to the Australian Financial Complaints Authority. You can contact AFCA on 1800 931 678 or afca.org.au. This service is provided free of charge.

Your Privacy

We are committed to protecting your privacy.

We have a Privacy Policy which sets out how we collect, hold, use and disclose your personal information. It also sets out how you can access the information we hold about you, how to have it corrected and how to complain where you are not satisfied with how we have handled your personal information.

Our Privacy Policy is available at www.escalapartners.com.au

