



# ADVISER DISCLOSURE STATEMENT

UNDERSTANDING THE  
ADVICE PROCESS



**FINANCIAL PLANNING ADVICE**

VERSION 2.0 | JUNE 2023

# Important Information about the Financial Advice Provider (FAP) & Me

## Adviser Disclosure Statement

This Disclosure Statement (**DS**) is designed to clarify who I am and what I do, and help you decide whether to use my services.

To make things simple, this guide explains:

- (a) the services and types of products I am able to offer you;
- (b) how I get paid and any other benefits I may receive;
- (c) any potential conflicts of interest I may have;
- (d) how I protect your privacy and handle your personal information; and
- (e) how I resolve disputes and what you should do if you have one.

Please read through the whole DS, as it's full of useful information and is also worth holding on to for future reference. And of course, if you ever have any questions, please contact me or the FAP.

## Other Documents You May Receive

In addition to this DS, we will also present you with a written Statement of Advice (**SOA**) while providing financial advice.

The SOA will describe:

- (a) advice and strategies we recommend and the reasons why;
- (b) the financial products and services we recommend and the reasons why;
- (c) any fees or commissions we will receive; and
- (d) any conflicts of interest we may have that have not already been disclosed in this DS and may influence the advice we provide.

## Important Information about the Financial Advice Provider (FAP) & Me

If you receive further financial advice from me, I will present you with either a Statement of Advice – Further Advice (**SOAFA**) or keep our own written Record of Advice (**ROA**). You can request a copy of this by contacting me any time up to seven years from the date of the advice provided.

Please refer to the “Contact Information” section of this DS for the contact details.

To help you make an informed decision about a financial product you generally will be given a Product Disclosure Statement (**PDS**) or Product Brochure (if available) which outlines the product features and costs in detail. In certain circumstances, it is not a requirement that you be given a PDS (including, for example, where you already have one).

### Giving us Instructions

If you want to make changes to your financial plan or provide other instructions, please contact us.

Please refer to the “Contact Information” section of this DS for the contact details.

Generally, you will need to give us instructions in writing (e.g. email) or any other methods that we have agreed upon together.

## About me

I am a Financial Adviser of Astute Investments & Financial Planning Ltd T/A **AIFP**, Financial Services Provider Number 637389 located at Level 1, 694 Great South Road Penrose, Auckland 1061.

### What I do

I am authorised by AIFP to provide financial advice in relation to:

- Cashflow Management
- Debt Management
- Risk Management (Personal insurance)
- Wealth Accumulation
- Retirement Planning
- KiwiSaver
- Superannuation

and to provide financial advice and deal in the following financial products:

- Managed Funds
- Exchange Traded Funds (ETF)
- Securities (Shares and Bonds)
- UK Pension and Australian Superannuation Transfer
- Health Insurance
- Home & Business Loan
- Life Products - Life Risk Insurance
- KiwiSaver

Where I am unauthorised to provide you with a financial service or financial product that you are interested in, I will advise you of this and refer you to an alternative source of advice.

## Contact Information

For more information on anything you have read in this DS, to obtain a copy of our Privacy Policy or if there is anything else we can help you with, please contact:

Adviser Name

FSP

Address

Phone

Email

Website

## Approved Product List

I generally recommend products that are listed on AIFP's approved product list (the **Approved Product List**). Before any products are added to the Approved Product List, a review process will be undertaken and products are required to meet the minimum standards.

If products in the Approved Product List are inappropriate for your circumstances, I will inform you before any advice is provided whether I can advise you on the products outside the Approved Product List. At all times, I will ensure that my recommendations are in your best interests.

Please refer to our Approved Product List [here](#).

## My Duties as a Financial Adviser

AIFP and its advisers have duties under the Financial Markets Conduct Act 2013 relating to the way we give advice. I am required to:

- (a) treat you fairly and act with integrity;
- (b) ensure that the advice I give you is suitable for you and that you understand the advice;
- (c) give priority to your interests by taking all reasonable steps to make sure my advice isn't materially influenced by my own interests;
- (d) take reasonable steps to protect your privacy and information;
- (e) meet standards of competence, knowledge and skill set by the Code of Professional Conduct for Financial Advice Services (these are designed to make sure that I have the expertise needed to provide you with appropriate advice); and
- (f) meet standards of ethical behaviour and client care set by the Code of Professional Conduct for Financial Advisers.

More information is available by contacting us or by visiting the Financial Market Authority (link below).

<https://www.fma.govt.nz/>

## Reliability History

A reliability event is something that might materially influence you in deciding whether to seek advice from me or AIFP. As an example, it would include legal proceedings against me or if I had been discharged from bankruptcy in the last four years.

Within the last 5 years, neither myself nor any of the directors of AIFP have:

- (a) had a conviction under the Financial Markets Conduct Act 2013 or for a crime involving dishonesty (as defined in Crimes Act 1961);
- (b) been a director or principal officer of a company convicted of any of the above offenses;
- (c) been adjudged bankrupt; and
- (d) been prevented by a court from taking part in the management of a company or business.

Neither AIFP nor I have been subject to a reliability event.

## How I Charge for My Services

All fees and commissions and the fees could be greater than those disclosed below in complex cases. In these instances, we will inform you of the exact fee payable promptly in writing.

### **Initial Consultation**

The initial consultation is free of cost.

### **Strategy Presentation**

Once we understand you and what you want to achieve, we may present some strategies to help you understand our thoughts behind our advice without any cost to you.

### **Advice Preparation**

If you elect to pay us a fee for advice the following fees will apply.

The fees will depend on the size of the investment portfolio and the complexity of the advice:

- The minimum fee charged is \$550 plus GST while the maximum fee is \$12,000 plus GST.
- For example, complex advice that contains multiple goals, strategies and/or tax structures including but not limited to; family trusts and companies, are likely to be charged closer to the maximum. Less complex advice that addresses limited goals, strategies and tax structures is likely to be charged closer to the minimum.

**Implementation  
Fee**

We do not charge any implementation Fee.

**Ongoing Fee  
for Advice**

If you elect to pay a fee for the ongoing review of your financial planning strategy, the ongoing fee is based on the complexity of ongoing advice and the services provided.

The minimum fee is \$330 plus GST while the maximum is 2.5% of the value of your portfolio each year.

For example, for an investment valued at \$200,000, the maximum ongoing fee would be \$5,000 p.a. plus GST.

The ongoing advice fee will be based on the level of service needed and the complexity of the advice. Complex advice requirements include the use of trusts and ownership structures, overseas assets or incomes, executive options or multiple investment entities. The frequency of the review will also have an impact on the fee charged.

**Ad Hoc  
Advice**

Where you do not wish to participate in an ongoing service fee arrangement but require ongoing advice on an ad hoc basis, an hourly fee of between \$265 and \$630 may apply, plus GST.

**Execution only  
Service**

Where we provide a financial service to facilitate buying or selling of a specific financial product as instructed by you, a one-off minimum of \$265 and a maximum of \$930 fee may apply, plus GST.



## **Insurance Products**

I do not charge a fee for providing advice for insurance. AIFP receives commissions directly from product providers for recommending their products. The commission is generally on an upfront basis and may also include a trail commission. The initial commission is between 0% and 256% of the annual premium and the ongoing commission is between 0% and 35% p.a. of the annual premium for as long as you hold the product. Commissions are paid to us by the product provider and are not an additional cost to you.

However, AIFP may charge a fee of \$1,500 plus GST for insurance only advice if you cancel your policy within two years of inception. The fee of \$1,500 + GST will be waived if the cancellation of the policy is due to financial hardship.

## **Mortgage Advice**

AIFP receives commissions from the relevant lender if you take out a mortgage following my advice. The commissions are between 0.55% and 0.85% of the value of the mortgage. The commission amount depends on which lender and what type of mortgage you choose. In addition, AIFP may receive an ongoing commission of between 0% and 0.2% of the remaining loan balance each year. Some lenders do not pay us a commission in which case we would charge a fee as agreed between the adviser and the client.

In some circumstances, depending upon the complexity of the work involved, AIFP may charge a flat fee between \$1,500 to \$5,000 for the work on top of the commission it receives. The exact fee that we would charge will be notified to you in writing once we have assessed your application and before we proceed with securing a loan for you. Only when you have agreed to the fees charged, then we will proceed with your work.

Where the mortgage is repaid within 30 months of the settlement, AIFP will have some or all of its initial commission clawed back by the lender. If AIFP is charged a clawback by the lender, we will recover this cost from you.

## Referrals

We work with different professionals across the board to make our advice more accessible to more people.

### Referrals from a Third Party

We have arrangements in place to pay a referral fee, commission or other benefits to certain third parties when they refer new clients to us. Our current arrangements for referrals from a third party are set out in **Table 1** below and specific details of any benefit we provide in relation to our advice to you will be included in the advice documentation we provide to you.

Please be advised that we will disclose every dollar we receive as a commission or fee and how much we share in our advice document.

**Table 1 - Details of arrangements for referrals from a third party**

Type of referral partner	Fee Sharing	Example
Accountant or Real Estate Agent or lawyer	From 5% to 50% of the commission we receive.	For example, if a client was referred by its accountant for mortgage or insurance advice and the client implements the advice from us and we received \$1,000 from commissions, we may share up to \$500 with the referral partner.
We do not pay any referral fee on investment, retirement planning, wealth creation or kiwiSaver advice.		

### Referrals to a Third Party

At present, we do not have any referral arrangement in place to provide referrals to third parties in return for payment or other benefits. If this changes, we will make you aware of this prior to providing advice, or further advice, to you.

## Conflict of Interest and Incentives

AIFP receives commissions from the product providers whose products we choose to settle with (e.g. insurers, banks, KiwiSaver providers). If you decide to buy an insurance policy or take out a mortgage, the product provider will pay a commission to AIFP. The amount of commission is based on the annual insurance premium or loan amount or the balance of investment.

From time to time, product providers may also reward us for the overall business we provide to them. They may give us tickets to sports events, hampers or other incentives.

We will disclose to you any commissions we are to receive when we make our recommendation(s) and prior to the implementation of any product or advice.

I am the sole director of AIFP, I receive remuneration and benefit from the profits generated by the business.

## To Ensure that We Prioritise Your Interests Above Our Own

We follow an advice process that ensures our recommendations are made in alignment with the individual's goals and circumstances, irrespective of the type and amount of commission we will receive.

Should any actual or potential conflict of interest arise during our engagement with you, we shall bring that to your attention immediately and then seek to manage or avoid the conflict if at all possible.

If management or avoidance of a conflict to your satisfaction is not possible then we will resign from the engagement with you and will assist with the appointment of a replacement and more suitable adviser.

Managing conflicts of interest is part of our annual training program for all our advisers. A registry document for conflicts of interest, gifting and incentives received is maintained from time to time for record keeping purposes.

## Privacy policy

At AIFP, we are committed to protecting the privacy of our users. This Privacy Policy outlines the information we collect, how we use it and the measures we take to ensure its security. References in this Privacy Policy to “we”, “us” and “our” means, Astute Investments & Financial Planning Ltd (**AIFP**). We protect your information in accordance with the Privacy Act 2020 (the **Act**).

### Your Authorisation

By providing us with your personal information or engaging us to provide you with our services, you consent to the collection, use, storage and disclosure of personal information in accordance with this Privacy Policy.

### Information Collection and Use

We collect personal information, such as name, address, phone number, email, and financial information from you in order to provide financial advice and services. This information is used to provide personalised financial advice and recommendation in order to meet your financial circumstances and goals.

#### **Why do we collect your Personal Information?**

In order to provide you with our financial advice and recommendation for products and services that suit you for your circumstances, needs and objectives, we need to collect your personal information.

We may also collect your personal information (including credit history and health status) on behalf of the lenders, insurers and other providers of the Products that you may choose to apply for. Product Providers will have their own Privacy Policy that applies to the information that we collect on their behalf.

Under no circumstances do we sell your information or share it with third parties unless permitted by you.

## **How do we collect your Information?**

Generally, we will collect your personal information directly from you.

### **We may also collect your personal information from:**

- credit reporting agencies;
- with your authorisation, banks and employers;
- product providers; and
- any other person authorised by you.

## **Information Sharing and Disclosure**

We do not sell, rent, or share any personal information with third parties, except as necessary to provide financial services or as required by law. We may disclose your personal information to the following people if we consider it necessary to do so:

- NZFSG and its related bodies corporate.
- Product Providers and other prospective lenders, third parties or others.
- Referral partners who can assist you with your circumstances and goals.
- Investors or any entity that has an interest in our business or any entity to whom we consider assigning or transferring any of our rights or obligations or selling all or part of our business.
- If we are legally required to share your information, such as regulatory bodies and the Government.
- To auditors to ensure that the services we provided to you are in your best interests.
- Your employer and referees, as well as credit reporting and identity verification agencies.
- Any other person or entity authorised by you.

Prior to disclosing any of your personal information to any other persons or organisations, we will take all reasonable steps to make sure that are compliant with the Act and that the person or organisation has also committed to protecting your personal information at least equal to our commitment.

## ***Do we disclose your Personal Information to anyone outside New Zealand?***

We may use cloud storage to store your personal information. The cloud storage and the data centres may be located outside New Zealand.

In order to provide you with our services, we may need to share your information with organisations outside New Zealand, for example, information technology providers based in India or Australia.

## ***Your Rights***

You may access and request corrections for any of your personal information that we held at any time.

We will generally rely on you to ensure the information we held about you is accurate. If any of your personal information changes, please contact us as soon as practicable via email [team@aifp.co.nz](mailto:team@aifp.co.nz).

## ***Security***

We take the security of our users' personal information seriously and use appropriate physical, technical and administrative safeguards to protect it from unauthorised access, use, or disclosure. This includes encryption, secure servers, and firewalls.

## ***Updates to Privacy Policy***

We may update this Privacy Policy from time to time to reflect changes in our practices or applicable laws. We encourage you to review this policy periodically for any updates.

## Your Confidence in Our Advice

Your satisfaction is very important to us and we have procedures in place to resolve any concerns promptly and fairly.




### Our Complaints Procedure

If you are unhappy with the advice you receive or other aspects of our service, please follow the steps outlined below:

1. Please let your financial adviser know so we can act on it immediately.
2. If your adviser has not satisfactorily resolved your complaint, please contact our compliance team on:

	<b>Phone</b>	<b>0800 MyAIFP (692 437)</b>
	<b>Email</b>	<b>complaints@aifp.co.nz</b>
	<b>In writing to</b>	<b>AIFP Compliance Level 1, 694 Great South Road, Penrose, Auckland 1061</b>

If we cannot resolve the issue to your satisfaction, we will refer it to our external independent dispute resolution service, the Financial Dispute Resolution Service (**FDRS**). The FDRS does not charge a fee to investigate or resolve a complaint. You can contact FDRS by:

	<b>Phone</b>	<b>0508 337 337</b>
	<b>Email</b>	<b>enquiries@fdrs.org.nz</b>
	<b>Post</b>	<b>Freepost 231075 PO Box 2272 Wellington 6140</b>

