

Financial Advice Disclosure Statement

The information provided in this disclosure statement is important.

Licensing Information

Nelson Marlborough Mortgage Services Limited (trading as Mortgage Money) operate under a current full license (FSPR Number 67905) issued by the Financial Markets Authority.

Nature and Scope of Financial Advice Services

Our financial advisers are engaged directly by us and the financial advice services and products they can provide are limited to the following:

- Help you choose a loan that is suitable for your purpose from a panel of lenders (see below) on loan terms that are suitable to you and help you to obtain approval for the loan.
- Provide financial products and advice on Personal Insurance, Home Loans, Investment Loans, and Construction Loans.
- Help you choose insurance products that are suitable for your purpose from a panel of insurance companies (see below) on terms that are suitable to you.
- Help you choose KiwiSaver products that are suitable for your purpose from a panel of KiwiSaver providers companies (see below) on terms that are suitable to you.
- Help with other services through our referral partners Tower – F&G, Asset Finance, UK Pension Transfers, and XE Money

Our advisers are unable to offer legal or tax advice and we recommend you consult your solicitor or accountant for this. Any advice we give in relation to Kiwi Saver withdrawal for a first home purchase is limited to factual information on what can be withdrawn and the process for this and does not extend to whether or not this is in your best interests.

Banks and Lenders

We source loans from a panel of approved lenders. The current lenders we can use are:

ANZ, Westpac, BNZ, ASB, KiwiBank, ASAP Finance limited, Avanti Finance, Cressida Capital, DBR, First Mortgage Trust, Heartland Bank, NZCU Baywide, Pepper Money, RESIMAC, SBS Bank, SELECT, Southern Cross Partners, Sovereign, The Co-operative Bank, TSB, Zip Business, Basecorp Finance, CFML.

Insurance Companies

We source insurance products from a panel of approved insurance companies. The current insurance companies we can use are:

AIA Insurance, Chubb Insurance and Partners Life Insurance.

KiwiSaver Providers

We source KiwiSaver products from a panel of approved KiwiSaver providers. The current KiwiSaver providers we can use are:

Booster and Milford Asset Management

Fees and Expenses

Mortgage Money is a financial advice provider that charges for our services. Our fee is usually paid by the lender, insurance company or KiwiSaver provider in the form of a commission.

If a mortgage is discharged within a 27-month period, then we are required to pay back the commission to the lender. This would mean that Mortgage Money would not have been adequately paid for our professional services. If you do repay and discharge your loan and we repay the lender, Mortgage Money reserves the right to charge you a fee for professional services upto a maximum of \$3000. Our charge-out rate is \$250/hour, and an average loan settlement involves 12 hours of work.

If a insurance product is cancelled within a 2-year period, then we are required to pay back the commission to the insurance company. This would mean that Mortgage Money would not have been adequately paid for our professional services. If you do cancel the insurance product, Mortgage Money reserves the right to charge you a fee for professional services upto a maximum of \$3000. Our charge-out rate is \$250/hour, and an average insurance policy being issued involves 12 hours of work.

Commission and Conflicts of Interest

Mortgage Money may receive commissions at settlement from the relevant lender if you choose to take out a mortgage or following my advice. The commissions are between 0.55% and 0.85% of the initial mortgage balance or amount funded. Mortgage Money may/will also receive 0.1% to 0.2% of the mortgage balance on each anniversary. We also receive a fixed rate roll over fee from some product providers if we assist in refixing your loan.

Mortgage Money is paid a commission for any new insurance taken up, of between 50% and 240% of the first year's premium, depending on which insurance company you take out cover with. From year two, Mortgage Money may then receive an annual commission of between 5% and 30% of the premium for the time Mortgage Money remains the servicing adviser on the policy. I will confirm the commission percentage Mortgage Money will receive from your policy when I provide my recommendation to you.

Mortgage Money is paid a commission for any new KiwiSaver transfers, of between 0.2% and 0.5% of KiwiSaver Funds Under Management on each anniversary of the transfer. Some KiwiSaver providers also pay a upfront commission based on the balance of KiwiSaver transferred. I will confirm the commission percentage Mortgage Money will receive from your policy when I provide my recommendation to you.

We can also receive a referral fee or commission if we refer you to our referral partners (Initio Insurance and Tower Insurance).

We manage conflicts of interest by ensuring your interests are put first and by always recommending the best product for your purpose regardless of the type and amount of commission we receive and by ensuring the amount of any loan is in accordance with your identified needs.

Duties Information

- Nelson Marlborough Mortgage Services Limited (trading as Mortgage Money) and anyone who gives financial advice on our behalf, have duties under the Financial Markets Conduct Act 2013 relating to the way we give advice.

We are required to:

- Give priority to your interests by taking all reasonable steps to make sure our advice is not materially influenced by our own interests.
- Exercise care, diligence, and skill in providing you with advice.
- Meet standards of competence, knowledge and skill set by the Code of Professional Conduct for Financial Advice Services (these are designed to make sure we have the expertise needed to provide you with advice).
- Meet standards of ethical behavior, conduct and client care set by the Code of Professional Conduct for Financial Advice Services (these are designed to make sure we treat you as we should and give you suitable advice).

This is only a summary of the duties we have. More information is available by contacting us, or by visiting the Financial Markets Authority website at <https://www.fma.govt.nz> .

Complaints Handling and Dispute Resolution

If you have a problem, concern, or complaint about the financial advice service given to you, please tell us about it. You can contact our internal complaints service by phoning 03 546 9270 or email, calum.mcneil@mortgagemoney.co.nz .

Please set out the nature of your complaint, and the resolution you are seeking. We will acknowledge receipt of this within 24 hours and will record your complaint in our register. We will work with you to resolve your complaint and we may want to meet with you to better understand your issues. We will provide an answer to you within 7 working days of receiving your complaint.

If we cannot agree on a resolution, you can refer your complaint to the external Financial Dispute Resolution Service (FDRS). This service is independent and will cost you nothing and will assist you in resolving any issues and disagreements you have with us.

You can contact FDRS at: PO Box 2272, Wellington. 6140.

Phone: 0508 337 337 Email: complaints@fdrs.org.nz Website: <https://www.fdrs.org.nz/>

You can contact us at:

Nelson Marlborough Mortgage Services Limited (Trading as Mortgage Money)

60 Rutherford Street

Nelson 7010

Phone: **03 546 9270**

Email: enquiries@mortgagemoney.co.nz

Website: <https://www.mortgagemoney.co.nz/>

Professional Indemnity Insurance

All our advisers are covered with professional indemnity insurance policies. This provides protection for our customers in unlikely cases of financial loss due to misrepresentation, negligence, financial loss through fraud, omission or employee dishonesty.