

Financial Advice Hawkes Bay Ltd Engagement Information



CONTENTS

CONTENTS	2
ABOUT US	3
Our Experience and Qualifications	3
OUR SERVICES	5
Financial, Investment and Retirement Planning	
Investment and KiwiSaver Implementation Services.....	5
Personal Insurance Planning	5
Insurance Product Advice and Implementation	5
HOW WE GIVE ADVICE	5
Product or Transactional Service.....	6
PROFESSIONAL BODIES	6
PROFESSIONAL INDEMNITY INSURANCE	6
YOUR OBLIGATIONS	7
FEEES AND REMUNERATION	7
Planning Fees.....	7
Other Fees and Charges	7
Remuneration	7
PROCEDURES FOR DEALING WITH CLIENT INVESTMENT MONEY AND SECURITIES	7
GENERAL	8
PRIVACY	8
LIMITATION OF LIABILITY	8
ENDING OUR ENGAGEMENT	9
CHANGES	9

It is important that you read and understand these terms and conditions as they describe the obligations of both you and Financial Advice Hawkes Bay Ltd regarding the services we provide.

ABOUT US

Financial Advice Hawkes Bay Ltd
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We are an independent advisory business providing personalised services for individuals, families, companies and Trusts looking for professional Financial Planning, Investment and Insurance solutions. Financial Advice Hawkes Bay is a member of Ignite Ltd. We take responsibility for all our Financial Adviser services. This includes making sure that our Advisers exercise care, diligence and skill in providing financial advice.

Our focus is to help people make smarter choices with their finances. We always put clients' interests first to help meet their short, medium and long-term personal financial goals. Our services are comprehensive and we specialise in providing expert financial advice. The Financial Planners within the business are able to provide you with a no obligation review of your financial service needs.

The business is registered as a Financial Service Provider on the Financial Service Providers Register (FSPR). Financial Advice Hawkes Bay's FSP number is 110362. The two directors and advisers for the business are Michael Gallagher and Paul Sewell.

Our Experience and Qualifications

Michael Gallagher

Michael is a Founder, Director, Adviser and a Shareholder of Financial Advice Hawkes Bay Ltd. He is currently serving a term as a Director of Ignite Ltd.

Michael has been providing advice in the financial services industry since 1995, specialising in investment, retirement planning and risk management. He completed a Bachelor of Business Studies majoring in Finance (BBS), a Graduate Diploma in Business Studies endorsed in Personal Financial Planning and holds the prestigious Certified Financial Planner designation which is internationally recognised for having the highest education and ethical standards in financial planning. He is a member of Financial Advice New Zealand and is an Authorised Financial Adviser. He initially worked for one of the big four banks then returned home to Hawke's Bay to take up his current role where he has been helping his clients achieve their financial goals since 1996. Michael lives in Napier with his wife and two children.

Michael currently has the following relevant qualifications:

- Authorised Financial Adviser, Financial Markets Authority obtained 2011
- Certified Financial Planner (CFP^{CM}) obtained 2006
- Massey University Bachelor of Business Studies obtained 1994
- Massey University Diploma in Business Studies Endorsed Personal Financial Planning obtained 2003.

Paul Sewell

Paul is a Director, Adviser and a Shareholder of the company's Financial Advice Hawkes Bay Ltd. He is a Director of Professional Investments Associates, is currently serving a term as Chairman of the Member Advisory Committee for Financial Advice New Zealand and a Trustee of the "Helping Hand Trust". He served a five-year term as Chairman of the Institute of Financial Advisers Hawkes Bay.

Paul has been providing financial advice in various forms since 1983, specialising in investment, retirement planning and risk management. His Financial Services career began in New Zealand in banking, over a 7-year period he gained experience in most aspects of the position. In particular, he worked in foreign exchange markets, commercial and residential lending. He then practised as a Financial Adviser whilst living in the UK. On returning to New Zealand, he practised as a Senior Financial Adviser for seven years based in Wellington and had clients throughout New Zealand. Within this position and in 1998 he first gained the prestigious Certified Financial Planner designation and gained extensive experience in Retirement and Investment Planning. Paul then moved to Sydney, Australia and for 9 years worked for one of the largest and most respected Fund Managers. His last position was in a General Management position within the Australian Equities Business which managed \$A26 billion on behalf of Investors. He was a regular presenter to Financial Advisers at Conferences and Professional Development days on Financial Planning matters, he presented throughout Australia, in Prague, Hong Kong, Tokyo, and Singapore. Paul returned to Napier with his wife and three children in 2010. In 2011 Paul became a Director and Shareholder of Financial Advice Hawkes Bay Ltd and was reinstated as a Certified Financial Planning Professional in 2012.

Paul has the following relevant qualifications:

- Authorised Financial Adviser, Financial Markets Authority obtained 2011
- Certified Financial Planner (CFP^{CM}) obtained 1998 and 2012
- Bachelor of Commerce and Administration obtained from Victoria University
- Massey University Diploma in Business Studies endorsed in Personal Financial Planning obtained 1997.

Continuing Professional Development

Paul and Michael keep their qualifications up-to-date through continuing education (consisting of seminars, technical briefings, product accreditation and conference workshops) for a minimum of twenty hours per year and sixty hours of continuing professional development every two years. This includes keeping up-to-date with changes to relevant consumer's laws such as the Fair Trading Act 1986.

About Ignite Ltd

Financial Advice Hawkes Bay Ltd is a member of Ignite Limited. This group consists of independently owned non-aligned professional financial advisory firms to provide business support services in regards to regulating requirements, compliance, research, advocacy, networking and to provide economies of scale for the benefit of our clients.

OUR SERVICES

Financial, Investment and Retirement Planning

We are here to help you develop a suitable Plan to meet your future financial objectives. Our focus is to work with our clients to achieve financial security, now and in the future. We achieve this by providing needs-based advice which means our advice is tailored to meet your specific goals. We understand everyone's needs and priorities are different which is why we work with you individually to help you make more informed decisions. For example, you may want to generate an income in retirement, start saving for future goals, or invest the proceeds from the sale of an asset or an inheritance.

You may just wish to put your mind at ease about whether your accumulated assets will sustain your retirement needs and your retirement spending is sustainable. If you want help planning how to achieve your investment and retirement goals, then we can help.

Investment and KiwiSaver Implementation Services

If you have a specific investment requirement and would like some advice and assistance on implementing that investment, we can help. You may already know the investment outcomes you are looking for and would just like some advice on which type of fund or product could work for you. We also provide a KiwiSaver implementation service for people who may not be ready to complete an Investment or Retirement Plan but are keen to make the most of the KiwiSaver opportunity.

Personal Insurance Planning

We can help tailor an Insurance Plan for you that will ensure you have the insurance protection in place that you need at an affordable cost. You tell us about you and your circumstances and we will work with you to develop the right Plan to meet your insurance needs

Our Plans can include the following insurance product ranges.

Life Insurance Trauma Insurance Income Protection

Mortgage Protection Health Insurance Total & Permanent Disablement

Insurance Product Advice and Implementation

If you already know what insurance you want, we can arrange quotes and product options for you. We can then help you implement the products with the insurer to ensure you get what you want.

HOW WE GIVE ADVICE

As Certified Financial Planners our advisers follow the internationally recognised six step process when providing a Planning service:

1. Establishing a client adviser relationship
2. Gathering client information and determining the client's goals and objectives
3. Analysing and evaluating the client's financial status, which may include financial situation, financial needs, financial goals and tolerance for risk

4. Developing and presenting recommendations and/ or alternatives in writing
5. Implementing the 'recommendations'
6. Monitoring and reviewing the financial adviser services provided.

All Plans are provided in writing.

We will have regard to your circumstances and objectives as identified by you when providing you with a Planning Service.

Product or Transactional Service

In the event you decline to provide requested information regarding your objectives, financial situation or particular needs to us, or provide incorrect or false information, we can only provide you with a Product Only Advice Service, a Transactional Service or treat you as a wholesale client.

Product Only or Transactional Services are based on your request, we will therefore not be providing personalised financial advice to you.

What this means is that we will not consider all your relevant personal circumstances such as your current situation, needs, objectives or the appropriateness of your requests with regard to the former when actioning your requests, nor provide advice relating to the merits or subject matter of transactions.

Any limitations may mean that the resulting implementation is not totally suitable for your personal circumstances.

PROFESSIONAL BODIES

Michael Gallagher and Paul Sewell are proud members of Financial Advice New Zealand and as a condition of our membership we adhere to the Financial Advice New Zealand Code of Ethics and Practice Standards in all facets of our practice.

PROFESSIONAL INDEMNITY INSURANCE

We have professional indemnity insurance which covers all our areas of practice. This insurance provides protection for clients for:

- any error or omission
- defamation
- employee dishonesty and
- includes full "prior acts" protection.

The underwriter is: NZI

As with all insurance, this cover has limitations and is subject to certain exclusions and terms and conditions.

YOUR OBLIGATIONS

The advice we give is based upon an analysis of the information you provide:

- Please provide all relevant information and please ensure it is true, complete and correct
- Please ask if you are unsure why certain information is being requested
- Please update us on any material change to your circumstances – both during this initial phase and into the future
- Pay any agreed-upon fees.

FEES AND REMUNERATION

The nature and total amount of fees that you will be charged for any advice and services, and when and how they must be paid, will be disclosed and agreed to by you and your Adviser. The types of fees are set out below:

Planning Fees

We charge a fee for planning and implementation services. These fees will be determined by the complexity of the Plan and will be agreed with you prior to any engagement for our Planning Services. Our Planning Fees start from \$750.00 + GST. (Additional fee information can be found in our Schedule of Fees document).

Other Fees and Charges

We can charge an hourly rate, implementation fee and an ongoing fee for monitoring portfolio investments.

Remuneration

Your adviser will set out the remuneration we receive in the disclosure statement given to you when providing you with advice.

All fees and charges are quoted exclusive of GST. The amount of GST payable can vary, dependant on the services provided. Any GST applicable will be added to the quoted fee or charge and is payable by you. Please note that we do not accept cash payments.

PROCEDURES FOR DEALING WITH CLIENT INVESTMENT MONEY AND SECURITIES

We do not handle or hold clients' funds directly or utilise any Trust accounts for client funds or property. All client funds are payable directly by clients to product providers. The only client money received by us is for payment of fees for agreed services. We do not operate a trust account, and we cannot use your money or securities for another clients' benefit or to pay our own expenses.

For our clients who use custodial services to invest, the Custodian handles client's monies. The custodian or trading partners will handle any securities received on your behalf in accordance with your instructions.

GENERAL

These terms and conditions apply to any transaction, financial or otherwise or any services provided by us.

You acknowledge that we are neither obliged to accept you as a client, nor to provide you with any explanation for refusing you services where a decision is made to do so. We retain the right not to provide services or issue products to any applicant.

Additional terms and conditions not stated herein may apply to the specific products or services we provide. We will provide you with any such additional terms and conditions if applicable. In the event of a conflict, such additional terms and conditions will take precedence in respect of the products and services to which they apply.

PRIVACY

We need to collect your personal information for the purpose of:

- Evaluating and determining your request for advice
- Maintaining relevant records and advice reports.

In providing our adviser services to you, you consent and give authority to us to obtain your personal information from or disclose your information to, the following parties:

- the Regulator and external compliance personnel or any service provider when implementing any of our recommendations or variations thereof and/ or supplying products to you
- compliance advisers/ personnel, product providers whom we have an agreement with, insurance companies, any claims investigators and claims assessors, ACC, financial institutions and any other persons or agencies deemed relevant
- other professionals such as solicitors, accountants, finance brokers, financial planners when such services are required to complement this advice, and/ or as requested by you
- any other individual or organisation where disclosure is required by law.

In providing our adviser services to you, you consent to your information being used by us and members of our staff, and administrators on your behalf, product providers whom we have an agreement with, reinsurers and other companies for the purposes for which your information was collected. The information is held by us at the offices listed in this document and on our systems, which are cloud based.

Under the Privacy Act 1993 you have the right to access and correct your information that we hold about you. We will rely on you to keep us informed of any changes to all of your contact details and any other personal information. If you wish to obtain access to or correct your information, please contact us.

You agree to provide all additional information as requested by us and comply with all reasonable requests from us to facilitate our compliance with AML/CFT Laws.

LIMITATION OF LIABILITY

We will use best endeavours and act in good faith. You acknowledge that investments and investment markets are volatile and subject to fluctuations which cannot be foreseen, so no particular results can be guaranteed. We are not liable to you for any loss, liability, actions, claims, damages, costs, or expenses arising out of our advice, act or omission by you or us.

ENDING OUR ENGAGEMENT

Unless otherwise stated, either party may terminate the engagement by giving not less than 7 business days' notice, in writing. After termination, we will not action any unexecuted orders or request. Termination does not affect any rights or obligations that arose prior to termination such as fees payable for our services.

CHANGES

Where there are changes to the terms of our engagement information at any time subject to the following limitations:

- You will be notified in writing of any changes that could cause you detriment and given an opportunity to terminate your engagement without penalty. Following a 14-day period after notice of such variation is sent, you are deemed to accept the new terms and conditions at the time of your next instruction or transaction with us.
- Where a variation does not cause you detriment, a notice may be provided by being posted on our website or by any other form of notice.

Confirmation of your receipt of this document will be recorded in your Client Information Booklet.

***Thank you for choosing Financial Advice
Hawkes Bay Ltd!***