

Disclosure Statement

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I am a financial adviser and provide advice on behalf of **Zeal Mortgages Limited** (FSP1007742), who are licensed as a Financial Advice Provider by the Financial Markets Authority.

Both Zeal Mortgages Limited and I are registered on the financial service providers registry which can be viewed at fsp-register.companiesoffice.govt.nz

I Work for You

As a Financial Adviser, it is my duty to abide by the Code of Conduct for Financial Service Providers.

I am paid by the providers for the services I provide, however, it is you that I work for. To ensure that I put your interests ahead of my own, I follow a 6-step advice process when providing personalised financial advice which is based on your individual goals and needs.

I provide all my recommendations in writing so that you have the opportunity to ask any questions you might have before implementing any of my advice.

Zeal Mortgages Limited, and anyone who gives financial advice on our behalf, has duties under the Financial Markets Conduct Act 2013 relating to the way that we give advice.

My Services

Home Lending:

I work with banks and lenders to recommend the lending products and solutions that I think best fit your circumstances and requirements from the following providers:

ANZ, ASB, BNZ, Westpac, KiwiBank, SBS, AIA Go Home Loans, The Co-Operative Bank Avanti, Basecorp, Bluestone, Heartland, Liberty, Pepper Money, Prospa, Southern Cross, and Unity.

In place of an upfront fee, Zeal Mortgages Limited are paid a commission by the recommended lending provider. This commission will range from 0.55% to 3% of the total lending, depending on which provider you choose to take a loan with. I will confirm the amount of commission Zeal Mortgages Limited will receive when I provide my recommendation to you.

In addition, Zeal Mortgages Limited may receive a commission of up to 0.20% of the outstanding mortgage or lending balance annually which covers the ongoing service I provide to you, by way of trail commission.

Claw back: If your mortgage is repaid within 27 months of your mortgage settlement, Zeal Mortgages Limited will have to repay some, or all the upfront commission received, to the lender. This is known as commission claw back. If the lender charges Zeal Mortgages Limited, due to early settlement of the mortgage arranged for you, Zeal Mortgages Limited will ask you to repay the commission that we must repay the lender to a maximum of \$3000 as a cost recovery for the service provided. This fee has been calculated on an average of 12 hours of advice, negotiation and administration to complete and submit your loan application, at an hourly rate of \$250. You will not have to pay a fee if Zeal Mortgages Limited were given the opportunity but were unable to get subsequent finance approval or you paid an agreed upfront fee when your mortgage was originally drawn.

KiwiSaver:

Zeal has partnered with 4 leading **NZ owned KiwiSaver providers**: Generate, Booster, Milford and Pathfinder.

Our service is limited to providing generalised advice. This involves discussing what level of financial risk you are comfortable with and recommending a fund type that best matches your attitude towards risk and the length of time until you plan on accessing your funds (from Cash through to Aggressive).

If you prefer a more comprehensive plan, I can refer you to another adviser who offers these services.

If you choose to join the **Generate KiwiSaver Scheme**, Zeal Mortgages Limited can be paid an upfront commission, up to \$300 (depending on the size of your contribution within the first 12 months) and while there is no cost to you, Zeal Mortgages Limited will receive an amount equal to 0.25% per annum of your account balance ongoing.

Additional fees can be charged if you have selected the Adviser Plus service, and you have an Ongoing Service Appointment and Fee Authorisation Form in place with Generate. These fees may be up to 0.25% per annum of your KiwiSaver account balance and they will be deducted from your Generate KiwiSaver Funds monthly and paid to us as your Financial Adviser. Example: \$30,000 balance 0.25% pa = \$75 per annum.

If you choose to join the **Milford KiwiSaver Scheme**, Milford allows Zeal Mortgages Limited to charge your KiwiSaver account \$150 for the initial advice fee. This is done after the transfer has taken place.

Additional fees can be charged if you have Ongoing Advice and an appointment and Fee Authorisation Form in place with Milford. These fees may be up to 0.50% per annum of your account balance for KiwiSaver and they will be deducted from your Milford KiwiSaver account monthly and paid to us as your Financial Adviser. Example: \$30,000 balance 0.50% pa = \$150 per year. Milford has a rebate of 0.20% pa for all funds except the cash fund which has a tax rebate of 0.05% pa. The ongoing Advice and Administration fee is tax deductible for the purpose of calculating the amount of PIE tax applied to your account.

If you choose to join the **Booster KiwiSaver Scheme**, Booster will pay Zeal Mortgages Limited a one-off upfront fee of \$30 or \$100 after your 12-month anniversary of joining the scheme and while there is no cost you, Zeal Mortgages Limited will receive an amount equal to 0.25%-.50% per annum of your account balance ongoing.

If you choose to join the **Pathfinder KiwiSaver Scheme**, Pathfinder will pay Zeal Mortgages Limited a one-off upfront fee of \$50- \$150 for the initial advice and while there is no cost for you, Zeal Mortgages Limited will receive an amount equal to 0.25% per year of your account balance ongoing.

Additional fees can be charged if you have selected Ongoing Services, and you have an Ongoing Service – Appointment and Fee Authorisation Form in place with Pathfinder. These fees may be up to 0.25% per annum of your account balance for KiwiSaver and they will be deducted from your Pathfinder KiwiSaver Funds and paid to us as your Financial Adviser. Example: \$30,000 balance 0.25% p.a. = \$75 per annum.

Managed Funds:

We recommend **Generate Managed Funds**. We refer to Generate's Internal Adviser Team and Zeal Mortgages Limited, which receive 0.125% pa of the Funds Under Management.

Life Insurance Referral Fee

Zeal Mortgages Limited will receive a referral fee from **Peak Financial**. This is 20% of the upfront commission they receive if you go ahead with their recommendation.

We are required to

- Give priority to your interests by taking all reasonable steps to make sure our advice isn't 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 that we have the expertise needed to provide you with advice).
- Meet standards of ethical behaviour, 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).

How to raise a concern or complaint about my advice

If you are unhappy with any aspect of my service, please tell me so that we can manage it through my internal complaint process. If we are unable to address your concerns, you can contact my disputes resolution scheme, at no cost to you:

Scheme: Financial Dispute Resolution Service

Address: Freepost 231075, PO Box 2272, Wellington 6140

Telephone Number: 0508 337 337

Email Address: enquiries@fdrs.org.nz

Privacy Policy

We will collect personal information in accordance with our Privacy Policy. We treat your information as strictly confidential. We will not disclose any confidential information obtained from or about you to any other person, except in accordance with our Privacy Policy.

