

Disclosure



Licensing Information

Buddy Financial Advisors Limited, is a Financial Advice Provider (FAP) licensed and regulated by the Financial Markets Authority to provide financial advice.

Our Financial Services Provider (FSP) number is 1001941.

Nature and Scope of Financial Advice Services

Here are the things we can help you with:

- Finding the right home loan/mortgage and managing the paperwork when you apply for your loan.
- Assessing your risk of serious illness and disability, so you can have the protection of trauma insurance and permanent disability insurance.
- Advice on income protection insurance to help safeguard your income if sickness or disability affected your ability to earn.
- Advice on life insurance to protect those who depend on you financially.
- Advice on health insurance to provide access to private hospital or specialist treatment.

The Product Providers we do Business with

Who we use for personal risk and health insurance: We believe the following companies offer an excellent choice of personal and health cover: Partners Life, Fidelity Life, NIB and AIA.

Who we use for mortgages: Buddy is accredited and works with a wide range of lenders to find the best rates and terms for you: Kiwibank, ANZ, ASB, BNZ, Westpac, Avanti Finance, The Co-operative Bank, Cressida, Liberty Financial, NZCU, PSIS, Public Trust, Sovereign Home Loans, SBS Bank, TSB, Sentinel, DBR and Resimac.

Who we use for KiwiSaver and managed funds: Generate, NZ Funds, Milford, Booster, SBS Wealth.

Fees or Expenses

As a general rule our firm does not charge for mortgage and insurance advice as we receive product provider commissions. Occasionally, we may work with lenders who don't pay a commission to our company. In this scenario, we may charge a one-off fee for any work we do on your behalf. We would discuss this with you beforehand and get your permission.

Mortgage commission claw backs: If you repay a mortgage in full within 27 months of drawdown, the lender may take back some of or all of the commission our company earned. If you have refinanced using another broker or by going direct to a bank, or made a lump sum repayment on your loan, Buddy may charge you a one-off fee to cover the income that the lender has "clawed back" from the company.

Insurance commission claw backs: If you decide to close a life insurance or health policy within 27 months from inception of the policy, the insurance company may take back some or all of the commission Buddy earned. Our company may charge you a one-off fee to cover the income that the insurance provider has "clawed back" from the company

This fee would be a maximum of \$4,200* (incl. GST), as a cost recovery for the services provided.

*This fee has been calculated on an average of 14 hours of advice, negotiation and administration to complete and submit your loan/insurance application to the provider, at our hourly rate of \$300 (incl. GST). The fee would be payable on the 20th of the following month that you paid back your home loan or closed your insurance policy.

We are paid between 0.125% and 0.40% p.a on the investment/KiwiSaver balance from our KiwiSaver providers.

Conflict of Interest and Incentives

Our mortgage advisers are paid a salary, not commissions based on the revenue that the company earns. This means they can focus on finding the right deal for you instead of hunting for the biggest pay-off for them personally. There is no financial incentive or financial conflict of interest for a Buddy mortgage Financial Adviser to apply to one product provider over another.

The product providers we deal with usually pay commissions to our company based on the business our company brings them. This is generally paid once the mortgage is settled or insurance policy is issued and is a percentage of the value of your loan balance or insurance premium.

The commission may also include a renewal or trail commission which is a percentage of the value of your outstanding loan amount or premiums, usually calculated at the end of each month in which you hold the loan, or on renewal of insurance products. We also receive a fixed rate rollover fee from some providers if we help re-fix your loan.

A discretionary bonus structure based on performance and compliance is in place. 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 follow a six-step advice process, which includes research and diligence with our product selection to meet your specific needs. We manage any conflicts by following our procedures which include holding a register of any conflicts and reviewing them regularly.

Complaints handling and dispute resolution.

If you have a complaint we would appreciate your honesty, here is a [link](#) to how you can make a complaint. When we receive a complaint, we will consider it following our internal complaints process:

1. We will consider your complaint and let you know how we intend to resolve it. We may need to contact you to get further information about your complaint. You can log a complaint through your client portal.
2. We aim to resolve complaints within 10 working days of receiving them. If we are unable to resolve the issue, we will contact you within that timeframe to let you know we need more time to consider your complaint.
3. We will contact you by phone or email to let you know whether we can resolve your complaint and how we propose to do so.

If you have a problem, concern, or complaint about any part of our service, please notify us so we can attempt to resolve the problem. Our internal complaints manager is Jason Longo who can be reached via email at jason@buddymortgages.co.nz or 021 500 838. Jason will reply to you within 24 hours.

If we cannot agree on how to fix the issue, or if you decide not to use the internal complaints scheme, you can contact our external disputes resolution scheme, Financial Services Complaints Ltd. This service will cost you nothing, and will help us resolve any complaints.

You can contact Financial Services Complaints Ltd. at:

Address: Level 4, 101 Lambton Quay Wellington 6011
Phone number: 0800 347 257
Email address: complaints@fscl.org.nz

Duties information

Buddy Financial Advisers, 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.

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 specific to your circumstances.
- 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).

Contact Details

Buddy Financial Advisors Limited is the Financial Advice Provider.

You can contact us at:

Phone: 021 500 838
Email: info@buddymortgages.co.nz
Address: Level 2, Suite 6 72 Dominion Road Mount Eden Auckland 1024

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.