

INITIAL DISCLOSURE STATEMENT – FINANCIAL ADVICE SERVICES

Please read the information set out below carefully. It contains important information about me and Kiwi Mortgages Limited and it will help you to decide whether I am the right financial adviser for you.

Financial Adviser	Bryce Heem
Financial Advice Provider	I, Bryce Heem, am providing financial advice on behalf of Kiwi Mortgages Limited (FSP166964)
Physical Address	279 Karangahape Road, Auckland, 1010, New Zealand
Telephone Number	+64 210 380 819
Email Address	Bryce@kiwimortgages.co.nz

NATURE AND SCOPE OF THE FINANCIAL ADVICE SERVICE

I offer the following financial adviser services:

Mortgage lending advice: Financial advice in relation to commercial lending and residential lending secured against owner occupied and investment properties offered by bank and non-bank lenders.

Asset lending advice: Financial advice in relation to lending secured against an asset other than real estate (e.g. a car, boat etc) offered by bank and non-bank lenders.

Business/commercial lending advice: Financial advice in relation to unsecured business lending offered by bank and non-bank lenders.

I only provide financial advice in relation to products offered by bank and non-bank lenders that Kiwi Mortgages Limited (**Kiwi Mortgages Limited**) has established terms of business with. These arrangements do not give rise to any contractual requirement or obligation to place any level of business with these lenders. Instead, they reflect a mutual understanding that I or Kiwi Mortgages Limited may place business with these lenders.

The bank lenders that Kiwi Mortgages Limited has established terms of business with are AIA, ANZ, ASB, BNZ, Heartland Bank, Kiwibank, SBS Bank, The Co-Operative Bank, TSB, and Westpac Bank.

I can provide details of the non-bank lenders that Kiwi Mortgages Limited has established terms of business with upon request.

RELIABILITY HISTORY

Neither Kiwi Mortgages Limited nor I have been subject to a “reliability event”. A reliability event is an event that might materially influence you in deciding whether to obtain financial advice from me or Kiwi Mortgages Limited. It includes, for example, bankruptcy, insolvency convictions or being publicly disciplined.

FEES AND EXPENSES

Set out below is important information on the commission and fees that Kiwi Mortgages Limited will earn in connection with the advice that I provide to you. I will set out in writing the specific commission and fees that Kiwi Mortgages Limited will receive prior to settlement.

Bank Lending

Mortgage Lending Kiwi Mortgages Limited receives a commission of up to **0.85% of the loan amount**. This commission is paid by the bank directly to Kiwi Mortgages Limited on the settlement date of the loan.

Rate Refix Kiwi Mortgages Limited receives a fee of up to **\$150** from some banks if I assist you with

refixing your interest rate. This fee is paid by the bank to Kiwi Mortgages Limited on the date that the refixed interest rate takes effect.

Short Term Lending

Where your lending is intended for a short term only, Kiwi Mortgages Limited may charge you a fee for providing advice to you. This fee will be based on the estimated number of hours to provide the advice at an hourly rate of **\$250 (plus GST) per hour**. The reason for the fee in these circumstances is because where you repay your loan shortly after settlement, Kiwi Mortgages Limited will be required to repay some, or all, of the commission that it receives from the bank.

Unless otherwise agreed with you in writing in advance, Kiwi Mortgages Limited will not charge you this fee. Where I agree with you that this fee is payable, I will issue you an invoice which will be payable upon the settlement date of the loan.

Trail

In some cases, Kiwi Mortgages Limited will receive an ongoing commission of **between 0.1% pa - 1% pa** of your remaining loan balance from the bank for each year that your loan remains with that bank. This commission is paid by the bank to Kiwi Mortgages Limited monthly.

Business/Commercial Lending

Kiwi Mortgages Limited may charge you a fee of up to **1.00% of the loan amount** for advice provided in connection with unsecured business or commercial lending from a bank. Unless otherwise agreed with you in writing in advance, we will not charge you this fee. Where I agree with you that this fee is payable, I will issue you an invoice which will be payable upon the settlement date of the loan.

Asset Lending

Kiwi Mortgages Limited may receive a commission of up to **3% of the loan amount** for asset lending from a bank. This commission is paid by the bank to Kiwi Mortgages Limited on the settlement date of the loan.

Non-Bank Lending

Mortgage Lending

Kiwi Mortgages Limited may charge you a fee of up to **1.00% of the loan amount** for a residential or commercial loan through a non-bank lender. This fee is usually added to the loan amount and paid to Kiwi Mortgages Limited by the non-bank lender on the settlement date of the loan.

Business/Commercial Lending

Kiwi Mortgages Limited may charge you a fee of up to **1.00% of the loan amount** for advice provided in connection with unsecured business or commercial lending from a non-bank lender. This fee is usually added to the loan amount and paid to Kiwi Mortgages Limited by the non-bank lender on the settlement date of the loan.

Asset Lending

Kiwi Mortgages Limited may receive a commission of up to **3% of the loan amount** for asset lending from a non-bank lender. This commission is paid by the non-bank lender to Kiwi Mortgages Limited on the settlement date of the loan.

CONFLICTS OF INTEREST, COMMISSIONS AND OTHER INCENTIVES

Conflicts of Interest

Neither Kiwi Mortgages Limited nor I have any conflicts of interest that exist or that are likely to arise which would influence the advice that I provide to you. If this changes, I will contact you and advise you of the nature and scope of any actual or potential conflicts of interest.

Commissions and incentives

Kiwi Mortgages Limited receives commission and fees from the lenders that I place business with. The commission and fees that Kiwi Mortgages Limited receives, are set out above under "How we get paid for the services that we provide". At the time of providing advice to you, I will set out the specific commission and fees that Kiwi Mortgages Limited will receive in connection with the advice.

Management of conflicts of interest

Kiwi Mortgages Limited, and I, take the following steps to manage actual, potential, or perceived conflicts of interest (referred to as “conflicts of interest”):

Advisers are not incentivised to promote one lender over another.

I follow an advice process that ensures that my recommendations are made on the basis of each client’s circumstances, goals, and risk appetite.

Kiwi Mortgages Limited has a Conflicts of Interest Policy which sets out how to identify conflicts of interest and how to ensure that these conflicts of interest are appropriately managed so that client interests are prioritised at all times.

All persons within Kiwi Mortgages Limited, including financial advisers, are required to receive training on the identification and management of conflicts of interest.

I complete a register of conflicts of interest and the gifts and incentives I receive. Kiwi Mortgages Limited monitors these registers.

WHAT SHOULD YOU DO IF SOMETHING GOES WRONG?

If you have a problem, concern, or complaint about any part of my service, please tell me so I can try to fix the problem. You may contact our internal disputes service by emailing complaints@kiwimortgages.co.nz.

We will be in contact with you within 48 hours of receiving your complaint to either propose a solution to your complaint or provide you with a summary of next steps. If we aren’t able to resolve your complaint immediately, we will investigate and resolve your complaint in accordance with our internal complaints process.

If we cannot agree on how to resolve the issue, you can escalate your complaint to Financial Services Complaints Limited (FSCL). FSCL is an independent dispute resolution scheme. This service is free of charge and will help us resolve any disagreements. More information about FSCL and their dispute resolution process can be found at <http://www.fscl.org.nz/>.

You can contact FSCL by emailing info@fscl.org.nz, calling FSCL on 0800 347 257 (free phone) or 04 472 3725. You can also write to them at PO Box 5967, Lambton Quay, Wellington 6145.

DECLARATION

I, **Bryce Heem**, declare that, to the best of my knowledge and belief, the information contained in this disclosure statement is true and complete and complies with the disclosure requirements in the Financial Markets Conduct Act 2013 and the Financial Markets Conduct Regulations 2014.

Signed:



This Disclosure Statement DS22/3 was prepared on 28 September 2022
Date

Authority and Declaration Form

Financial Advice Provider / Authorised Body	Kiwi Mortgages Limited
Address	279 Karangahape Road, Auckland, 1010
Financial Adviser	Bryce Heem

Lender	means a lender (including their associated parties)
Insurer	means an insurance product provider (including their associated parties)

Section A: Authority to act

I/We give the Financial Advice Provider express authority to act on my/our behalf with all Lenders and Insurers in respect of:

- obtaining or maintaining a loan
- insurance products associated with my/our loan.

Section B: Fees & Commission Arrangements

I/We confirm that I/we have been provided with and have read and understood the Financial Adviser's Disclosure Guide. I/We understand that the Financial Adviser's Disclosure Guide details, amongst other things, the commission, fees and expenses that may be received by, or payable to, the Financial Adviser / Financial Advice Provider. I/We also understand and agree the circumstances in which I/we may need to pay fees to the Financial Adviser / Financial Advice Provider (if applicable).

Section C: Relationship of Financial Advice Provider

I/We understand that:

- The Financial Adviser is a director, employee and/or contractor of the Financial Advice Provider and acts on behalf of the Financial Advice Provider.
- The Financial Adviser and the Financial Advice Provider are members of NZ Financial Services Group Limited (NZFSG). NZFSG provides services which can include a client management system, facilitating payment of commission, training, and access to the Lenders and/or Insurers.
- The Financial Adviser and the Financial Advice Provider are **not** employees, agents, partners or joint venture partners of the Lender(s)/Insurer(s) or NZFSG.
- The Financial Adviser and the Financial Advice Provider do **not** act on behalf of the Lender(s)/Insurer(s) or NZFSG.

Section D: Privacy

D.1 Privacy Authorisation

- I/We authorise my/our personal information (client information) to be collected, used and disclosed in accordance with the Financial Advice Provider's privacy policy (available on the Financial Advice Provider's website or provided with this Declaration Form).
- I/We authorise my/our client information to be shared with the lender(s)/insurer(s) and collected and used by them in accordance with their privacy policies available on the Lender(s)/Insurer(s)' website(s).
- I/We acknowledge that the Financial Advice Provider may use administrators located outside New Zealand, in countries that may have different or lesser legal protections for personal information.
- I/We accept that the Financial Advice Provider and any lender(s) may share and receive my personal information with/from these administrators for application and loan administration purposes.
- The Financial Advice Provider will use best endeavours to ensure that any personal information is adequately protected, and that the administrators are subject to privacy laws that provide comparable safeguards to New

D.2 Privacy Summary

The key terms of the Financial Advice Provider's privacy policy are summarised below:

Collection:	The Financial Advice Provider may collect client information from a number of third parties. These third parties include credit reporting agencies and, with your authorisation, employers and banks (e.g. through the use of illion BankStatements).
Purpose:	The Financial Advice Provider will collect and hold client information for the purpose of recommending lending and/or insurance products to me/us.
Disclosure:	<p>The Financial Advice Provider may disclose client information to third parties if the Financial Advice Provider considers it necessary to do so for the purpose above. These third parties include the following:</p> <ul style="list-style-type: none"> • the Lender(s)/Insurer(s) • NZFSG • credit reporting agencies • service providers, e.g. organisations that provide the Financial Advice Provider with administrative and management assistance and services • the Financial Markets Authority and other regulators • organisations involved in auditing the Financial Advice Provider. <p>Prior to disclosing client information, we will take all reasonable steps to ensure the third party has the same level of commitment to protecting the client information.</p>
Further Use & Disclosure:	The third parties referred to above may also use and disclose client information in accordance with their own privacy policy. For example, in the case of a Lender, this includes using and sharing the information for the purpose of assessing the application and administering the loan – e.g. information might be shared with a previous or current employer; the lender's credit reporting agency; authorities to assist in fighting fraud, money laundering or other criminal offences; and guarantors. If the Financial Advice Provider has an ongoing commission arrangement in place with the Lender over the term of the loan, the Lender will periodically disclose the loan balance to the Financial Advice Provider and NZFSG.
Credit Reporting Agencies:	The client information (including information about default and repayment history) may be exchanged with credit reporting agencies. This information will be used by and held on the systems of those agencies to provide their credit reporting services and may be disclosed to the Financial Advice Provider, the Lender(s)/Insurer(s) and other customers of the credit reporting agencies.
Marketing:	The Financial Advice Provider and/or Lender(s)/Insurer(s) might use client information for market research purposes and for direct marketing purposes (whether through mail, email or telephone (including SMS/MMS) or other electronic means) to notify me/us of products or services that may be of interest to me/us. You have the right to opt-out of electronic direct marketing.
Consequences:	I/We are not required by law to provide any personal information to the Financial Advice Provider, but any failure to do so might prejudice my/our chances of obtaining a loan or insurance.
Rights:	I/We have the right to request access to and correction of my/our personal information held by the Financial Advice Provider and Lender(s)/Insurer(s).
Obligations:	If I/we provide any personal information about anyone else to the Financial Advice Provider or to a Lender/Insurer (or authorise the Financial Advice Provider or Lender/Insurer to collect that information), I/we confirm that such persons consent to and authorise the collection and use of their personal information in accordance with the Financial Advice Provider's and Lender/Insurer's respective privacy policies. I/We confirm that I/we have advised such persons of their rights to access and request correction of their personal information.

Section E: Legal and Valuation Costs

I/We confirm that **(Please tick if applicable)**

- I am/We are to meet legal and valuation costs in relation to obtaining a loan.

Section F: GST Matters

I/We confirm that: **(Please tick the applicable box)**

- I am/We are not registered for GST and will not be with respect to the security property.
- I am/We are or will be registered for GST, but the security property is not/will not be used for the purpose of a taxable activity.
- I am/We are or will be registered for GST and the security property is/will be used for the purposes of a taxable activity.

Section G: Specialist Insurance Advice

I/We acknowledge that:

- as part of the intended lending transaction I/we understand I/we should review my/our personal risk insurance requirement(s).
- I/we have been offered the option to have a specialist insurance adviser review my/our personal risk insurance requirements and have decided to: **(Please tick the applicable box)**
 - have the review completed by the specialist insurance adviser
 - decline the option to review my/our personal risk insurance requirements and exempt the Financial Advice Provider, the Financial Adviser and specialist insurance advisers from any liability or loss caused as a result of this decline.

Section I: Loan Repayment

I/We understand that:

- Should my/our circumstances change before the loan is repaid, I am/we are responsible for continuing to make loan repayments (subject to applicable laws).
- In the event of my/our death, it will be my/our estate's responsibility to make the loan repayments and/or to pay off any loan balance.

Section J: Loan Application Form

I/We confirm that:

- I/we have read, understood and agree to the content of this Declaration Form
- The information included in the Loan Application Form, including my/our Asset & Liability Statement, is true and correct.

Signed

Signed.....

Name

Name

Date

Date