



# TERMS OF BUSINESS

## HOW WE WORK WITH CLIENTS



**FORESIGHT  
FINANCIAL  
PLANNING**

- **KiwiSaver advice**
- **Investment planning**
- **Savings advice**
- **Retirement planning**
- **Medical insurance**

**[www.foresightfinancial.co.nz](http://www.foresightfinancial.co.nz)**

Foresight Financial Planning Limited (FSP700191) is a licensed Financial Advice Provider

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

## ABOUT FORESIGHT FINANCIAL PLANNING

Foresight Financial Planning 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 FSP700191.

Since September 2021, our business focus is on providing KiwiSaver advice, investment planning, savings advice, retirement planning and medical insurance. We still maintain a small life insurance client base and can provide advice on this by mutual agreement. We're a small family business, who believe in delivering the best services to our clients, throughout Taranaki and beyond.

Michael is the sole adviser and has more than thirty five years of experience working within the financial services and insurance profession.

We believe in delivering the best customer service experience possible and work closely with clients to help them achieve their personal financial plans and goals.

Michael is a member of Financial Advice NZ and is also a member of the Chartered Insurance Institute in London.

## Michael's Experience and Qualifications

I have been in this profession since 1986 and here in New Zealand since January 2005.

I have the following relevant qualifications:

- Financial Planning Certificate obtained in 1993 (UK)
- Advanced Financial Planning Certificate in 2005 (UK)
- National Certificate in Financial Services (Insurance Advice) (Level 5) obtained in 2011
- National Certificate in Financial Services (Investment Advice) (Level 5) obtained in 2011
- National Certificate in Financial Services (Residential Property Lending Advice) (Level 5) obtained in 2011
- FSCE19 New Zealand's Financial Advice Regime obtained in 2020

I keep my 'financial adviser services' up to date by:

- Undertaking the mandatory number of continuing professional development hours required by the Code of Professional Conduct for Authorised Financial Advisers
- Attending annual industry conferences
- Attending various courses, workshops and webinars organised by Accredited Training Organisations.
- Regularly travelling and attending other financial planning conferences, forums, etc.
- Reading widely.
- Purchasing comprehensive investment and risk research from a number of sources.

## We use the standard six-step financial advice process

For our advice planning process, we use a six-step financial advice process by:-:

- 1) Establishing goals and a relationship with the client
- 2) Gathering data
- 3) Analysing data
- 4) Developing a plan
- 5) Implementing the plan
- 6) Monitoring the plan

## OUR SERVICES

### Private Medical Insurance Planning

Find out what to look for in a health insurance policy and compare premiums for basic health insurance plans. If you need a new hip or knee, the wait for public treatment can be lengthy. More than 1.4 million Kiwis supplement our health system with private health insurance so they can skip the queue for elective services. We can help you to make an informed decision on what benefits you want to have in place.

### Investment and Retirement Planning

We can help you develop a suitable investment plan to meet your future financial objectives. You may want to generate an income in retirement or start saving for future goals or invest the proceeds from the sale of another asset. If you want help planning how to achieve your investment 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.

### Income in Retirement

Do you want to supplement NZ Superannuation by having a fixed level of income for life? We can advise you on this and provide you with a guaranteed income for life, even if you run out of capital.

### Overseas Pension Transfers

If you have an overseas pension and would like to look at transferring this to New Zealand, we can help.

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## HOW WE PROVIDE MEDICAL INSURANCE ADVICE

Page two shows the six-step advice process we use – but in summary:-

1. We find out about you and your current situation and what you are looking for, for your medical insurance
2. We prepare a plan or product options to meet your needs or requests.
3. Where we agree that insurance cover is required to meet those needs, we assist you to apply to the relevant insurance company to commence any new cover, amend any existing covers or cancel any unwanted covers.

All Plans are provided in writing.

## OUR INSURANCE PRODUCT PARTNERS

While Foresight Financial Planning maintains relationships with all of the major life insurance companies in New Zealand, we also use external independent sources for quantitative data and our own personal judgement in making recommendations that will best suit your circumstances and needs. We do not have any financial obligations or contracts to recommend one insurer over another and by adopting this method, we remove any bias that we may have for or against any particular insurer.

Using this as a guide, we select the product and provider that we believe best suits your needs and budget.

Providers we hold agencies with are shown below, those highlighted in *italic and bold* offer medical insurance cover:-

***Accuro***  
Asteron Life  
***nib***

***AIA***  
Cigna NZ  
***Partners Life***

AMP (existing cover only)  
Fidelity Life  
***Southern Cross***

## FEES AND REMUNERATION

We are remunerated by our recommended insurance provider(s) in the form of commission. We will set out the remuneration we receive in your disclosure statement given to you when providing you with advice.

## HOW WE PROVIDE KIWISAVER PLANNING ADVICE

Due to the number of KiwiSaver plans in the market, we have a preferred choice of four providers (ANZ Investments, Booster, Fisher Funds and Milford) and to reduce our administration time and costs, we will generally look to utilise these providers first:-

ANZ Investments	Booster	Fisher Funds	Milford
Large banking institution	NZ owned and operated	NZ owned and operated	NZ owned and operated
Choice of 13 KiwiSaver funds	Wide choice of 17 KiwiSaver funds	Limited choice of funds (Conservative and Growth) or a Balanced Strategy	Choice of 6 actively managed awards
Lifetime Options fund that reduces your risk exposure when you hit certain ages	Sole focus on creating wealth	GlidePath option provides automatic fund switching at certain ages (from 46 onwards)	Winner of numerous investment planning awards
Online access to your KiwiSaver	Superb online access to your KiwiSaver	66% part ownership by the TSB Community Trust (66%)	Online access to your KiwiSaver
History of consistent fund performance (not a guide to future performance)	Good persistent performance (not a guide to future performance)	Online access to your KiwiSaver	Very consistent fund performance (not a guide to future performance)
Low charges (compared to the market average)	Free Accidental Death cover (for under 65s)	Very consistent fund performance (not a guide to future performance)	No policy fee for under 21's or the over 65's
No policy fees	Range of Socially Responsible funds	Winner of numerous investment planning awards	Canstar's KiwiSaver Provider of the Year 2020
No initial fees to myself	Ease of administration	No initial fees to myself	No initial fees to myself

This recommendation will be reviewed on the 1<sup>st</sup> April 2022.

## INITIAL ADVICE FOR NON KIWISAVER MEMBERS

Page two shows the six-step advice process we use – but in summary:-

- We find out about you and your current situation and requirements for your investment planning needs including;
  - If you want to invest a lump sum and/or a regular amount
  - How you want to use your KiwiSaver
  - What your level of investment risk is (we used the Sorted risk profiler to gauge your risk level)
  - What your objectives are
  - Looking at external research providers
- We prepare a plan or product options to meet your needs or requests. In this, we will detail our recommendations to you; who we have recommended and why and how we believe they will meet your objectives. In addition, we may also refer to external data as well as investment systems and data from other companies as a means of providing general information and benefit projections.
- If you accept our advice and recommendations, we assist you to implement your investment strategy and ensure that follow up reviews are implemented.

All Plans are provided in writing.

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## KIWISAVER PLANNING ADVICE – EXISTING MEMBERS

If you are already a KiwiSaver member and want us to review your KiwiSaver planning, we reserve the right to undertake this on a simplified basis, without providing a full Statement of Advice.

## KIWISAVER FOR MINORS

Where KiwiSaver is required for a child (below the age of 18), I will always recommend a 'Growth Fund' investment strategy given the long investment period of a KiwiSaver scheme (even though access to funds may be required for a house purchase). Please let me know if you are uncomfortable with this strategy.

## OTHER CONSIDERATIONS

Please note that whilst ANZ Investments, Booster, Fisher Funds and Milford are our preferred providers for KiwiSaver, there may be reasons to recommend an alternative KiwiSaver provider and we reserve the right to do so. Any provider we recommend and the reasons for that will be properly advised and documented to you as all our plans are provided in writing.

## OUR INVESTMENT PRODUCT PARTNERS

Foresight Financial Planning maintains relationships with a number of KiwiSaver providers including the following:-

AMP	ANZ Investments	Booster
Fisher Funds	Milford	Nikko A M
NZ Funds	Pathfinder	

If there are any investment providers you are interested in but are not shown here, please let me know.

## FEES AND REMUNERATION

I will receive an annual fee from the KiwiSaver provider I recommend to you. This is generally around 0.20% to 0.25% pa of your fund value. Some providers pay this to me out of their annual management charge and other providers pay this directly from your fund (depending on the provider chosen). More specific detail is provided at the time my advice is given.

All investment fees will be paid directly to Foresight Financial Planning Limited as the FAP licensee.

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## HOW WE PROVIDE INVESTMENT PLANNING ADVICE

Page two shows the six-step advice process we use – but in summary:-

1. We find out about you and your current situation and requirements for your investment planning needs including;
  - If you want to invest a lump sum and/or a regular amount
  - How long you are planning to invest for
  - What your level of investment risk is (we used the Sorted risk profiler to gauge your risk level)
  - What your objectives are
2. We prepare a plan or product options to meet your needs or requests. In this, we will detail our recommendations to you; who we have recommended and why and how we believe they will meet your objectives. In addition, we may also refer to external data as well as investment systems and data from other companies as a means of providing general information and benefit projections.
3. If you accept our advice and recommendations, we assist you to implement your investment strategy and ensure that follow up reviews are implemented.

All Plans are provided in writing.

## OUR INVESTMENT PRODUCT PARTNERS

Foresight Financial Planning maintains relationships with a number of investment providers. We also use external independent sources for quantitative data and our own personal judgement in making recommendations that will best suit your circumstances and needs. We do not have any financial obligations or contracts to recommend one investment provider over another and by adopting this method, we remove any bias that we may have for or against any particular company.

Providers we hold agencies with are:-

AMP	ANZ Investments	Booster
Fisher Funds	JMIS/Select Wealth	Lifetime Retirement Income
Milford	Nikko A M	NZ Funds
Synergy Investments		

If there are any investment providers you are interested in but are not shown here, please let me know.

## FEES AND REMUNERATION

If we are not working for you on a fee basis, we will be remunerated on an ongoing annual basis based upon the value of your investment fund.

This is generally around 0.25% to 0.50% pa of your fund value. Some providers pay this to us out of their annual management charge and other providers pay this directly from your fund (depending on the provider chosen). More specific detail is provided at the time my advice is given.

All investment fees will be paid directly to Foresight Financial Planning Limited as the FAP licensee.

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## WHOLESALE CLIENTS

If a client is identified as a Wholesale Client (as defined in the Financial Advisers Act 2008 and the Financial Markets Conduct Act), by engaging our services you are opting into our retail service which means you will be receiving personalised advice.

## ADVICE

Foresight Financial Planning will have regard to your circumstances and objectives as provided by you when providing you with a Planning 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 or Transactional Services.

Product Only Advice 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.

**Please ask us if you are not sure what type of advice or service you require.**

## 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 me if you are unsure why certain information is being requested.
- Please update me on any material change to your circumstances – both during this initial phase and into the future.
- Pay any agreed upon fees (if relevant).

## FEES FOR SERVICE

Clients may ask us to work for them on a fee basis. In this situation 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 to you by us.

Our standard fees are set out below:-

For retirement and investment planning, this would be a flat fee of up to \$1,000 + GST or an hourly rate of \$150 + GST. For investment planning, we reserve the right to increase this fee depending upon the complexity of the plan and will be agreed with you prior to any engagement for our Planning Services.

Such a fee would be due on completion of my recommendations (and payable within 10 business days) irrespective of whether my recommendations are undertaken by yourself.

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.

**All specific fees will be agreed as part of our Scope of Service.**

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## PROCEDURES FOR DEALING WITH CLIENT INVESTMENT MONEY AND SECURITIES

We do not receive or handle monies directly.

We cannot use your money or securities for another client's benefit or to pay our own expenses.

## CONFLICTS OF INTEREST

We are here for our clients and to advise you as best we can. Your interests are our priority although we do have business relationships with product providers also. To ensure that we prioritise your interests above our own, we follow an advice process that ensures our recommendations are based on your objectives, needs and circumstances. I further manage possible conflicts of interest by:

- Not having any agreements in place to choose one provider over another
- Having access to a wide range of product providers
- Using third party product research as part of our analysis
- Having our processes regularly checked to ensure that we are meeting required standards

## OUR INTERNAL COMPLAINTS PROCESS

If you have a problem, concern or complaint about any part of our advice or service, please tell us so that we can try to fix the problem. Our internal complaints manager is Michael who can be reached via email at [mike@foresightfinancial.co.nz](mailto:mike@foresightfinancial.co.nz) or on (06) 751 4510.

When we receive a complaint, we will consider it and let you know how we intend to resolve it. We may need to contact you to get further information about your complaint. We aim to resolve complaints within 10 working days of receiving them. If we can't, we will contact you within that time to let you know we need more time to consider your complaint.

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.

## OUR EXTERNAL COMPLAINTS PROCESS

If we can't resolve your complaint, or you aren't satisfied with the way we propose to do so, you can contact Financial Services Complaints Limited, an approved dispute resolution scheme who provide a free, independent dispute resolution service that may help investigate or resolve your complaint.

You can contact Financial Services Complaints Limited at:

Call: 0800 347257  
Email: [complaints@fscl.org.nz](mailto:complaints@fscl.org.nz)  
Write to: FSCL, PO Box 5967, Wellington 6145

## GENERAL

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

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.

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## PRIVACY

Upon request, we can provide you with a copy of our Privacy Statement.

I/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 me/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 my/our recommendations or variations thereof and/or supplying products to you;
- compliance advisers/personnel, product providers whom I/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 me, members of my staff, and administrators on our behalf, product providers whom I/we have an agreement with, reinsurers and other companies for the purposes for which your information was collected.

The information is held securely online - we no longer have paper files.

Under the Privacy Act 2020 you have the right to access and correct your information that I/we hold about you.

I/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 any information about you please contact me/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.

You agree that we can use email as an effective form of communication to you.

## 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 these Terms and Conditions 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

We may vary these Terms at any time subject to the following limitations:

1. You will be notified in writing of any variations that could cause you detriment and given an opportunity to terminate your account 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.
2. 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. You have 7 days to accept the new terms and conditions before your next transaction with us.
3. Hard and or soft copy versions of our Terms of Business will be sent to you upon request.

**Confirmation of your acceptance of these terms will be recorded in your file.**