



# TERMS OF BUSINESS

## HOW WE WORK WITH CLIENTS



**FORESIGHT  
FINANCIAL  
PLANNING**  
*because foresight is better than hindsight*

- Life Insurance
- Medical Insurance
- Savings & Investment
- KiwiSaver
- Trauma
- Disability

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A disclosure statement is available on request and free of charge  
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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.

In simple terms, it means we provide personal insurance, savings and investment planning advice. 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 can provide advice from simple life insurance, through to the more complex areas of trauma, disability, income protection, medical and business insurances. This combined with experience in savings, investment and KiwiSaver schemes, enables Michael to offer clients a total and comprehensive risk and investment management approach.

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

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## OUR SERVICES

### Personal and Business Insurance Planning

An Insurance Plan looks at your families or your businesses current circumstances and what they would do if you suffered one of the main insurable events and then allows you to make an informed decision on what insurances you want to have in place. Our role during this engagement is to put you in a position to make that decision by understanding the disablement process and then to facilitate any agreed implementation required to meet your plan.

**Our plans can include the following insurance product ranges:-**

<b>Life Insurance</b>	<b>Trauma Insurance</b>	<b>Total &amp; Permanent Disablement</b>
<b>Income Protection</b>	<b>Mortgage Protection</b>	<b>Health Insurance</b>

*We want to make sure you have the right cover when you need it most.*

### Insurance Product Advice and Implementation

We provide an Insurance Product Implementation service. This means that if you know what type and amount of insurance you want but you would like some help picking the right product from the various insurance companies, we can help.

### Insurance Reviews

If you already have an insurance plan in place, we can offer a review service to assess your existing plan in the context of your current situation and needs as well as reviewing the relevant products.

### Budget Advice

If you need budgeting advice and/or help making a better financial plan going forward, we can help you get started by assessing your current situation and helping you make some small financial improvements. However, I am not a budget advisor.

### 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.

## HOW WE GIVE INSURANCE ADVICE

We follow a simple three step process when providing advice;

1. We find out about you and your current situation and discuss your financial needs for each of the main insurable events:-
  - Death
  - Critical illness
  - Temporary disability – whether by accident or illness
  - Permanent disability – whether by accident or illness
  - Death
  - Medical conditions requiring treatment
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:-

Accuro	AIA	AMP (existing cover only)
Asteron Life	Cigna NZ	Fidelity Life
NIB	Partners Life	Southern Cross

## HOW WE GIVE INVESTMENT PLANNING ADVICE

We follow a simple three step process when providing advice;

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.

## KIWISAVER 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. The reason for this are as follows:-

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 fee for over 65's	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 2021.

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.

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.

We may also use investment systems and data from other companies in our dealings with you as a means of providing information and benefit projections.

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## 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.

## 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).

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## FEES AND REMUNERATION

### INSURANCE PLANNING

If we are not working for you on a fee basis, we will be remunerated by our recommended insurance provider(s).

**We will set out the remuneration we receive in the secondary disclosure statement given to you when providing you with advice.**

### INVESTMENT PLANNING

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.

**We will set out the remuneration in the secondary disclosure statement given to you when providing you with advice. For making our recommendations and implementing our advice, we generally do not charge any upfront fees.**

### OTHER FEES AND CHARGES

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 insurance planning, this would be a flat fee of up to \$1,000 + GST or an hourly rate of \$150 + GST.

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.**

## 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

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## 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.

## 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 Service Proposition will be sent to you upon request.

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