

MORTGAGE AND INSURANCE AUTHORISATION & DISCLOSURE



Authorisation

The attached Personal Disclosure Statement, Declarations and Authorisations, Knowledge and Risk Profile, Scope of Service and Terms of Engagement reflect our commitment and obligation to provide the best level of service and advice to you. This document contains valuable and helpful information and obligations on your part. **You should read and complete the questions in this document in entirety before proceeding. By proceeding with NewBuild is acceptance of these terms.**

I, ("I", "me" or "my" include the plural "we", "us" and "our") where appropriate the undersigned, authorise the **Registered Financial Advisor** for **NewBuild Home Finance Limited (NewBuild)**, whose signature appears below, to obtain and be provided with any information required to assess, or enable any prospective lender to assess, my creditworthiness or to determine whether I meet or may meet any lender's eligibility criteria for borrowing purposes or my/our suitability for other security/guarantee purposes or my/our eligibility or suitability for any related or other insurance (whether general or life insurance, mortgage repayment or of any other type) I may require or may wish to arrange through NewBuild.

This authority also authorises any bank or other company, person, firm or other organisation whatsoever to disclose any information in his/her possession or knowledge which the person authorised above may seek to establish my creditworthiness or credit history or other good general standing and to provide that person with copies of any documents as to any such matter in its possession or control including (but not limited to) banking and savings records and any other documents that might reasonably assist that person for any of the foregoing purposes or for any of the purposes set out in the preceding paragraph, AND the production of this authorisation, or of a copy of it, shall be a full and sufficient authority to any person, firm, company, statutory or other body or authority (public or private) whatsoever holding information as to any such matters or things to make such information available to that person as fully and freely as if on each occasion sought personally by me or, if more than one, by us or any of us.

I authorise the representative to share any information and/or outcomes with those third parties to whom this information is required to assess my Character, Credit and Capacity for home loans and/or insurances. This authority supersedes any authority submitted to any lender and/or supplier prior to the date shown below. This authority formally advises the lender/insurer that all other applications/proposals are to be withdrawn in preference to the one attached to this authority.

I acknowledge that while the representative has not been remunerated in advance of settlement/completion of an application/proposal, once you have received approval, if that approval is withdrawn, the representative, at his/her sole discretion, retains the right to charge a consultation fee of up to \$500.00. Additional obligations are outlined in the attached disclosure.

Personal Disclosure

I have received a full copy of the **Personal Disclosure Statement** as a part of this loan application outlining the qualifications of the **Registered Financial Advisor** and the rules of professional engagement, which includes consultation fees and commission claw back. This authority is given for all purposes that it may be required under the **Privacy Act 1993, Credit Contracts and Consumer Finance Act 2003, Financial Service Providers Act 2008** or under any other statute or regulation for the time being in force or under any other rule or regulation, public or private, for the time being in force. Should disclosure of any such information otherwise breach any rule of privilege I hereby waive that privilege.

Form
Disclosure statement Ian Andrew Webb



Name of financial adviser: Ian Andrew Webb (FSP 95644)
Address: PO BOX 300 813, ALBANY
Trading name: NEWBUILD HOME FINANCE LIMITED (NewBuild)
Telephone number: 09 414 6181 extn 203 or 0274 401 455
Email address: ian.webb@newbuild.co.nz
Website: www.newbuild.co.nz

This disclosure statement was prepared on: 18 October 2016

It is important that you read this document

This information will help you to choose a financial adviser that best suits your needs. It will also provide some useful information about the financial adviser that you choose.

What sort of adviser am I?

I am a registered, but not authorised, financial adviser.

As a Registered Financial Advisor, I only offer advice on the following:

Lending

- Residential and commercial lending
- Non bank lending
- Residential Construction lending
- Purchase and refinance

Insurances

- House and Contents
- Medical and health Insurance
- Income protection
- Trauma insurance
- Total and Permanent Disability insurance
- Life or terminal illness insurance

What should you do if something goes wrong?

If you have a complaint about my advice, my processes, or professional behaviour, you may complain in writing. In the first instance, that complaint should be directed to the Company I work for. Please address your complaint to:

The General Manager
NewBuild Home Finance Limited
PO Box 300-813, Albany 0752
john.lincoln@newbuild.co.nz

If you are not satisfied with the outcome of this process, you may make a complaint to:

Insurance and Financial Services Ombudsman
PO Box 10-845 Wellington 6143
NEW ZEALAND
Fax: +64 (04) 499 7614
Telephone: +64 (04) 499 7612

<http://www.iombudsman.org.nz/complaints/>

How am I regulated by the Government?

You can check that I am a registered financial adviser at www.fspr.govt.nz

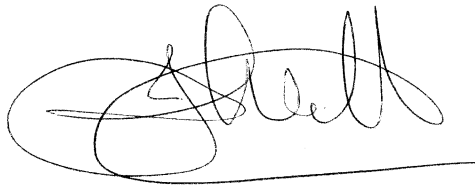
The Financial Markets Authority regulates financial advisers. Contact the Financial Markets Authority for more information, including financial tips and warnings.

You can report information or complain about my conduct to the Financial Markets Authority, but in the event of a disagreement, you may choose to first use the dispute resolution procedures described above (under What should you do if something goes wrong?).

Declaration

I, Ian Andrew Webb, 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 Advisers Act 2008 and the Financial Advisers (Disclosure) Regulations 2010.

Signed:

A handwritten signature in black ink, appearing to read 'Ian Webb', with a long horizontal flourish extending to the right.

Form
Secondary Disclosure statement Ian Andrew Webb



This disclosure statement was prepared on: 18 October 2016

Name of financial adviser: Ian Andrew Webb (FSP 95644)
 Address: PO BOX 300 813, ALBANY
 Trading name: NEWBUILD HOME FINANCE LIMITED (NewBuild)
 Telephone number: 09 414 6181 extn 203 or 0274 401 455
 Email address: ian.webb@newbuild.co.nz
 Website: www.newbuild.co.nz

Professional Qualification: **Registered Financial Advisor (FSP 95644)
 Past Mortgage Chair – Professional Advisors Association**

Experience as Advisor: **1991- 1997 in Indianapolis, 1997 to present in NZ**

Directorships: **Managing Director – NewBuild Home Finance Limited (2002)
 Aspire Home Loans Limited**

I hold current accreditation as a full member/ provisional member of the PAA and my business complies with the Association's Membership Rules and Code of Ethics and Standards. A copy of the Rules is available from www.paa.co.nz.

The PAA is a professional body dedicated to ensuring high ethical standards and professionalism of its members for the protection of clients, lenders and insurance providers.

PERSONAL HISTORY

I have the following:

- **Qualifications** – Bachelor of Arts (Liberal Arts 1990)
- **Relevant Experience** – Mortgage Advisor or banker since 1991 in both the United States and New Zealand. In the US I designed mortgage product in construction finance now used as a mainstream residential construction loan. This product is called NewBuild in New Zealand and has been available in New Zealand since 1999. I am a New Zealander having grown up in Northland.
- I have originated in nearing \$1bn in residential or commercial lending in the US and NZ
- I was involved in establishing supermarket banking in New Zealand with a major NZ Bank, and was also General Manager of a leading Financial Planning and Services Company
- I have developed two mortgage companies, one a mortgage brokerage called Complete Mortgage Services Limited (CMS) and the other a residential construction loan company called NewBuild Homes Finance Limited (NewBuild)
- Membership of relevant professional body – Professional Advisors Association PAA (past Mortgage Chair) in good standing
- **Other Awards** – Introduction to Financial Planning (with merit) through the Financial Planners and Insurance Advisers Association (2002), and Introduction to Corporate Governance certificate

NATURE OF BUSINESS

I am a practicing Registered Financial Advisor specializing in category 2 product advice, including home loans and insurances.

I am not a broker, and as such I may not offer you multiple offerings.

*In most instances, both with home loans and with insurance products, I may recommend only Sovereign products. Sovereign is a preferred provider. It is common industry practice for product providers to have special promotions to advisors. These promotions may be a limited time competition or an annual production competition where an overseas trip may be the reward. I participate in these promotions.

PROFESSIONAL INDEMNITY INSURANCE

For Client protection, members of NewBuild maintain a Professional Indemnity Insurance Policy of no less than \$1 million (maximum cover of \$1 million per claim). In proven cases, this protects my clients from financial loss due to fraud, gross negligence, gross misrepresentation, errors and omissions etc. (if perpetrated by me).

SCOPE OF ENGAGEMENT



Summary: A Scope of Engagement document begins the process of setting out the mutually agreed terms of engagement between us. The terms of this agreement shall not be altered, and your proceeding with any services with us is deemed full acceptance of our terms and conditions, and your signature(s) is NOT required as acceptance. The terms of these disclosures shall remain in force as long as you have any active products or services with us, or unless replaced with an updated disclosure.

1. CLIENT CONFIDENTIALITY

Confidentiality is very important to me. I acknowledge that your personal details and details of your financial position are confidential. I undertake not to divulge any information that you have disclosed to me to any person or body except under the conditions noted below in 'Use of Information'. If your details are entered into our electronic record system, I will keep those details on file for a period of seven years or longer whether or not this engagement terminates.

2. PARTIES

Adviser Contact details

Name of financial adviser:

Ian Andrew Webb (FSP 95644)

Address:

PO BOX 300 813, ALBANY

Trading name:

NEWBUILD HOME FINANCE LIMITED (NewBuild)

Telephone number:

09 414 6181 extn 203 or 0274 401 455

Email address:

ian.webb@newbuild.co.nz

Website:

www.newbuild.co.nz

Client details are recorded in the Fact Find document.

3. PRODUCTS AND SERVICES

As a *Registered Financial Advisor*, I only offer advice on the following:

Lending

- Residential and commercial lending
- Non bank lending
- Residential Construction lending
- Purchase and refinance

Insurances

- House and Contents
- Medical and health Insurance
- Income protection
- Trauma insurance
- Total and Permanent Disability insurance
- Life or terminal illness insurance

I have agency relationships with the following Home loan Providers (this may change from time to time without notice)

ASB Bank	ANZ
*Sovereign Home Loans	Crown Money
ANZ Bank	DBR
ASAP Finance	

I have agency relationships with the following Insurances providers (this may change from time without notice)

*Sovereign Assurance	Fidelity
One Path (ING)	Southern Cross
Aon	Asteron
Partners Life	

*In most instances, both with home loans and with insurance products, I may recommend only Sovereign products. Sovereign is a preferred provider. It is common industry practice for product providers to have special promotions to advisors. These promotions may be a limited time competition or an annual production competition where an overseas trip may be the reward. I participate in these promotions.

4. DISCLOSURE STATEMENT

I have provided you with a copy of my Disclosure Statement.

5. TIMEFRAMES

The estimated time of the planning process is approximately one to two hours for the first meeting and two to three meetings may be required for the entire process. At a future mutually agreeable time, a review of your personal situation may involve a further one to two hour interview in order to update mutually agreed levels of cover. In most cases, reviews take place annually unless otherwise agreed.

6. REMUNERATION & FEES

- a) I operate as a Professional Financial Advisor. I am not a broker, and my services are not free. However, in the normal course of business, I may recommend one or more product providers. I may receive commission from the product providers directly (home loans and insurances).
- b) The nature of this commission can be a single upfront commission (percentage of the loan facility), an ongoing (trail) commission (percentage of the loan facility), or a mix of both.
- c) Where in good faith substantial work has been applied and a conditional loan approval has been obtained and subsequently the application has expired or is withdrawn by you, at the discretion of the Advisor a consultation fee of \$500 may be invoiced. Once a fully approved loan offer has been obtained, and then you subsequently determine not to proceed, at the Advisors sole discretion, you may be invoiced for the Early Repayment Fee (ERF) as set out below in 6d
- d) The remuneration on your loan is conditional on a retention period. Where a loan is moved away from NewBuild, or fully or partially repaid within 24 months of settlement an Early Repayment Fee (ERF) will apply. **It is therefore STRONGLY advised that all Home Loans be retained for a minimum 24 months period to avoid an Early Repayment Fee. To calculate the ERF (or partial ERF), you will be invoiced at a maximum rate of 0.6% within the 24 month window as set out above (i.e. Loan Limit of \$100,000 x 0.6% fee = \$600 ERF).**
- e) Similarly, the remuneration on your insurance policy is conditional on a minimum retention period. Where a policy is moved away from NewBuild, or fully or partially cancelled within 24 months of issue an Early Cancellation Fee (ECF) is applicable. **It is therefore STRONGLY advised that all insurance products be retained for a minimum 24 months period to avoid an Early Cancellation Fee. That fee will not exceed the equivalent of 12 months of your Annual Premium as calculated (i.e. \$100 monthly insurance premium x 12 months = \$1,200 ECF).**

- f) Where a commercial loan applies, or in any instance where the lender does not pay a commission, a separate fee is applicable. That fee will generally not exceed 1% of the loan amount, except where disclosed in advance.
- g) Significant change of personal circumstances or hardship may be reasonable grounds to apply to the Advisor for any outstanding fees to be waived or rebated.
- h) I may also receive remuneration for the placement of insurance products for my client(s) (Fire & General, Personal Risk), either directly (if an agency is held) or indirectly if a referral is made to a specialist insurance adviser.
- i) Similarly, I may make payments to those who refer clients to me. Such payments are made solely at my discretion and are in no way detrimental to my clients.

7. CONFLICTS OF INTEREST

At all times, I operate in the best interests of my clients, operating without conflicts of interest and with objectivity. The 'Products & Services' has been fully described above and clients are therefore aware of the options available to them, when appointing me as their Registered Financial Advisor.

8. AGENCY AND FEES

I am not an agent of the bank or insurer and act as an intermediary to facilitate products, services and advice. Any fees that are charged by me, unless noted specifically on an offer or application, are Advisor fees.

9. CLIENT RESPONSIBILITIES

It is your responsibility to provide me with accurate and relevant information at the time that the initial information is being gathered by way of the Loan Application, Fact Find or Needs Analysis, whichever takes place first. If you provide me with incomplete or inaccurate information, I may not be able to provide you with the advice, products or services you are seeking.

It is important that you understand your obligation to provide me with accurate and relevant information in order for the financial services provider to appropriately assess the risk and make an informed decision about the products you may be seeking.

For insurance products, in order for the insurer to assess the risk and the appropriate premium, the law requires you to disclose all the information you know, or should know, that is relevant to the insurer's decision whether to provide cover or determine the terms of cover. This is called your duty of disclosure. For example, you should disclose your current income, medical history and all information about insured and uninsured losses and claims.

10. REFERRALS TO OTHER PROFESSIONALS

If at any time during the term of engagement, a potential need arises for the use of another professional, I undertake to refer you to an appropriate professional. You will not be billed or invoiced for such a service at any time by me. If an appropriate professional cannot be located I undertake to advise you as soon as possible so that you may engage a professional of your choice or seek advice in regard to the same. Should another professional be engaged, I do not accept any liability whatsoever for the advice provided or the fees invoiced by that other professional, regardless of how the engagement came about.

I am not accredited or authorised to provide accounting or legal advice and you should seek independent professional advice.

11. TERMINATION

I undertake to exercise care, diligence and skill in providing you with a financial adviser service. If at any time, you wish to terminate this engagement, you must advise me in writing. Upon receipt of such advice by you, I then undertake to confirm termination of the engagement to you in writing within two business days, not including any public holidays.

12. USE OF INFORMATION

I will collect personal information (including full name, address and contact details) so that I may administer my customer relationships and provide clients with the products and services they request. This information is held at my offices. If at any time you wish to have access to, or correct any of, the information obtained with your permission, please contact me. I may be allowed or obliged to disclose information by law, e.g.: under Court Orders or Statutory Notices pursuant to taxation laws. I may also disclose personal/business information to other financial institutions and/or organisations at their request if you seek to obtain products and/or services from them. Personal/business information may also be disclosed to:

- Professionals including but not limited to solicitors, accountants, mortgage brokers, and stockbrokers when a referral is required, at your request and;
- If you have insurance, those involved in the insurance process including but not limited to claims investigators, medical practitioners, re-insurers, insurance reference agencies.
- If I intend to sell my business, any prospective purchaser of my business.
- The Financial Markets Authority and/or any other regulatory body as required for audit purposes.
- Real estate agents, builders or other related parties involved with your transaction.

13. ADVICE OR RECOMMENDATIONS

As a part of recommending a specific lender I am not able to recommend a lender based on their break fee formulas (Early Repayment Assessment - ERA) or their interest rate pricing strategy or methodology. Lenders have different pricing models and as such also have their own break fee formulas. If you wish to make your lender choice based on this you should request a copy of the formula from the lender directly. Banks may also charge fees for lending or other products and services and this will be disclosed to you directly by the lender. Selecting a fixed rate term is not a precise science, and while as an advisor I may assist with raising awareness to better inform you when fixing and for what term, as there is no precise science to interest rate movements, you must be solely responsible for the decision to fix or float your loan.

From time to time, this information may be updated and/or changed and I undertake to advise you of material changes to any of the items and/or products/services noted above by email and/or mail.