

Below is a full set of our disclosure documents

DISCLOSURE STATEMENT

NATURE AND SCOPE OF SERVICE



DISCLOSURE STATEMENT

NewBuild Home Finance Ltd (NewBuild) is an industry leader in residential construction finance with over twenty years of experience. Our dedicated team of financial advisors are here to help you achieve your financial goals.

We ask that you read and understand this disclosure in its entirety as it sets the framework of our obligations to you and what you can expect from our service as well as your obligations. Proceeding with NewBuild is deemed to be acceptance of these terms.

License status and conditions

NewBuild Home Finance Limited (FSP109184) holds a license issued by the Financial Markets Authority (FMA) to provide financial advice.

Our services

NewBuild Home Finance Ltd provides advice and service to our clients on the following:

Lending

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

Insurances

Medical and health Insurance
Income protection
Trauma insurance
Total and Permanent Disability insurance
Life or terminal illness insurance
General insurance

NewBuild Home Finance Limited has agency agreements with the following home loan and insurance providers

AIA/Go Home Loans, ASB, BNZ, ANZ, Westpac, Southern Cross Financial
AIA, Asteron, Fidelity, Partner's Life, One Path (ING), nib

We may refer you to a specialist for your homeowner's insurance needs

We do not provide advice on KiwiSaver or investments

Our duties

NewBuild Home Finance Ltd and anyone who gives financial advice on our behalf have duties under the Financial Markets Conduct Act (2013) in relation to how we give advice. We are required to:

- Prioritize your interests by taking all reasonable steps to make sure our advice is not materially influenced by our own interests
- Exercise care, skill and diligence in providing you with advice
- Meet standards of competence, knowledge and skill as set by the Code of Professional Conduct for Financial Advice Services
- Meet ethical standards of behavior, conduct and client care as set by the Code of Professional Conduct

More information can be found at <https://www.fma.govt.nz>

Fees or expenses

NewBuild Home Finance is primarily remunerated by a commission from the suppliers that we have agency agreements with. We may also charge our clients fees for specific services. These can be found on our website <https://www.newbuild.co.nz/finance/what-can-i-expect-my-costs-to-be>

Important note: the remuneration on your loan or insurance policy is conditional on a retention period. Where a loan or insurance policy is moved away from NewBuild, or fully or partially repaid within 36 months from policy issue, Code Compliance Certificate or loan settlement, whichever is the latter, an Early Repayment Fee (ERF) will apply.

NewBuild's residential construction finance –

Offered solely through AIA/Sovereign Home Loans. This offering is a complex and specific lending product and service to assist primarily in new construction. There is substantial additional work, expertise and financial cost involved that may not be fully paid by the lender through a commission alone. NewBuild relies on renewal (trail) income to offset the cost of working with you, and this requires you to stay with NewBuild for a (retention) period as set out below so the renewal can help offset the costs for our services.

Purchase and refinance –

NewBuild receives a commission from the lender that we place your business with. The commission rate will vary by lender.

Life and health insurance

NewBuild receives a commission from the insurance companies on whose policies we give advice. The amount of the commission is based on the amount of the premium. Commission rates depend on which insurance company and which policy you choose. The nature of this commission can be a single upfront commission (percentage of the premium), an ongoing (trail) commission (percentage of the premium), or a mix of both.

NewBuild may also receive remuneration for the placement of insurance products for our client(s) (particularly Fire and General) if a referral is made to a specialist insurance adviser.

How we manage potential conflicts of interest

At all times, we operate in the best interests of our clients, operating without conflicts of interest and with objectivity. To ensure that our financial advisers prioritise the client's interest above their own, we follow an advice process that ensures our recommendations are made based on the client's goals and circumstances.

All our financial advisers undergo annual training about how to manage conflicts of interest. We undertake regular compliance audits and obtain an independent review of our compliance programme annually by a reputable compliance consultancy firm.

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, conferences, hampers, or other small incentives. *NewBuild* has a Gift Policy which limits the value of these types of gifts.

What should you do if something goes wrong?

If you have a problem, concern, or complaint about any part of the financial advice or service you have received from us, you may contact us using any of the following means: in writing, by phone, by email or via our website. Our contact details are:

Complaints Officer
NewBuild Home Finance Limited
PO Box 300-813, Albany 0752
0800 NEWBUILD
admin@newbuild.co.nz
info@newbuild.co.nz

When we receive a complaint, we will consider it following our internal complaints process:

- 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.
- We aim to resolve complaints within 10 working days of receiving them. If we cannot, 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.
- If we cannot resolve your complaint, or you aren't satisfied with the way we propose to do so, you can contact our financial disputes resolution scheme, Financial Services Complaints Ltd (FSCL).

If we cannot agree on how to fix the issue, or if you decide not to use the internal complaints scheme, you can contact Financial Services Complaints Ltd (FSCL). This service is free to you, and will help us resolve any disagreements. You can contact FSCL at:

Financial Services Complaints Ltd
Level 4, 101 Lambton Quay, Wellington 6011
Telephone: 0800 347 257
<https://fscf.org.nz/>

Nature and Scope of Service

NewBuild Home Finance Ltd (NewBuild) is an industry leader in residential construction finance with over twenty years of experience. Our dedicated team of financial advisors are here to help you achieve your financial goals.

We ask that you read and understand this disclosure in its entirety as it sets the framework of our obligations to you and what you can expect from our service as well as your obligations. Proceeding with NewBuild is deemed to be acceptance of these terms.

License status and conditions

NewBuild Home Finance Limited (FSP109184) holds a license issued by the Financial Markets Authority (FMA) to provide financial advice.

Our team

NewBuild employs the following financial advisors. Our team is cross-trained to ensure the best experience for our clients. You are likely to work with several members of our team during the time we assist you with your lending and insurance services.

Ian Webb	FSP 95644
Karen Phillips	FSP 1000153
Cameron Andrew Webb	FSP 752131
Douglas Stewart Webb	FSP 773815
Monica Webb	FSP 1003462

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We may refer you to a specialist for your homeowner's insurance needs

We do not provide advice on KiwiSaver or investments

Fees or expenses

NewBuild Home Finance is primarily remunerated by a commission from the suppliers that we have agency agreements with. We may also charge our clients fees for specific services. These can be found in more detail below or on our website

Important note: the remuneration on your loan or insurance policy is conditional on a retention period. Where a loan or insurance policy is moved away from NewBuild, or fully or partially repaid within 36 months from policy issue, Code Compliance Certificate or loan settlement, whichever is the latter, an Early Repayment Fee (ERF) will apply.

NewBuild's residential construction finance –

Offered solely through AIA/Sovereign Home Loans. This offering is a complex and specific lending product and service to assist primarily in new construction. There is substantial additional work, expertise and financial cost involved that may not be fully paid by the lender through a commission alone. Rather than charge our clients up-front for this specialist work, NewBuild relies on renewal (trail) income to offset the cost of working with you and this requires you to stay with NewBuild for a (retention) period as set out below so the renewal can help offset the costs for our services.

Purchase and refinance –

NewBuild receives a commission from the lender that we place your business with. The commission rate will vary by lender.

Insurance

NewBuild receives a commission from the insurance companies on whose policies we give advice. The amount of the commission is based on the amount of the premium. Commission rates depend on which insurance company and which policy you choose. The nature of this commission can be a single upfront commission (percentage of the premium), an ongoing (trail) commission (percentage of the premium), or a mix of both.

NewBuild may also receive remuneration for the placement of insurance products for our client(s) (particularly Fire and General) if a referral is made to a specialist insurance adviser.

Our remuneration in more detail:

- a) Where a home loan is moved away from *NewBuild*, or fully or partially repaid within 36 months from Code Compliance Certificate or settlement, whichever is the latter, an Early Repayment Fee (ERF) will apply. **It is therefore STRONGLY advised that all Home Loans be retained for a minimum 36 months from the period as set above to avoid an Early Repayment Fee. To calculate the ERF (or partial ERF), you will be invoiced at a maximum rate of 0.8% of the original loan limit within the 36 month window as set out above (i.e. Loan Limit of \$100,000 x 0.8% fee = \$800 ERF).**
- b) In addition to the above, where a *construction* loan is moved away from *NewBuild*, or fully or partially repaid within 36 months from Code Compliance Certificate or settlement, whichever is the latter, an Early Repayment Fee (ERF) will apply. This ERF is specifically for construction loans and reflects the expertise inherent in the *NewBuild* management process which is not sufficiently represented in the lender's standard commission schedule. **It is therefore STRONGLY advised that your construction loan be retained for a minimum 36 months from the period as set above to avoid an Early Repayment Fee. To calculate the ERF (or partial ERF), you will be invoiced at a maximum rate of 0.5% of the original loan limit within the 36 month window as set out above (i.e. Loan Limit of \$100,000 x 0.5% fee = \$500 ERF).**

Total remuneration obligation where a *NewBuild* construction loan is moved away from *NewBuild*, or fully or partially repaid within 36 months from Code Compliance Certificate or settlement, whichever is the latter, will not exceed 1.3% of original loan amount.

- c) 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 36 months of issue an Early Cancellation Fee (ECF) is applicable. **It is therefore STRONGLY advised that all insurance products be retained for a minimum of 36 months of paid premium from date of issue 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).**

d) *What fees you might expect to pay*

- \$500 Application fee
- \$250-500 for updated or amended applications
- \$500 for AML or loan structures (if applicable)
- \$500 if you decide not to proceed with loan offer (if applicable)
- \$150 refix fee (if applicable)
- ** \$1,000 NewBuild Management Fee for a construction loan
- 0.8% of Loan amount Early discharge as set out above
- 0.5% of loan amount NewBuild management early exit fee
- \$1,000 to manage a builder dispute that involves NewBuild management
- \$500 Alteration to existing loan including but not limited to change of security or change of borrowers

- ** NOTE: all fees will be invoiced to you directly except the \$1,000 NewBuild Management Fee which is built into your construction loan

- There may be additional fees or costs which will be disclosed at the time

- Progress Valuation/Inspection fees (set externally but paid from construction loan advances – these fees are not predetermined or payable by NewBuild. Any reserves are not guaranteeing the total costs of inspections)

- Valuation fees, lawyer's fees – paid from your own funds

e) Where in good faith substantial work has been provided and a conditional loan pre-approval has been obtained, and subsequently the application has expired or is withdrawn by you, or as an existing customer significant advice and work are completed on your behalf (full loan restructures, exchange of security, refinancing to a Trust, LTC or other entity, as examples) NewBuild may at the discretion of the Advisor incur a charge rate of \$150 per hour, or a minimum consultation fee of \$500 may be invoiced. Once a fully approved loan offer (where only the outstanding conditions to be satisfied relate to the engagement of customer and not the advisor) has been obtained, and then you subsequently determine not to proceed, at the Advisor's sole discretion, you may be invoiced for the Early Repayment Fee (ERF) as set out above.

f) Where a commercial or non-regulated 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.

How we manage potential conflicts of interest

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All our financial advisers undergo annual training about how to manage conflicts of interest. We undertake regular compliance audits and obtain an independent review of our compliance programme annually by a reputable compliance consultancy firm.

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, conferences, hampers, or other small incentives. *NewBuild* has a Gift Policy which limits the value of these types of gifts.

Use of Your Information

***NewBuild* complies with the Privacy Act 2020**

We will collect personal information (including your full name, address and contact details) so that we may administer our customer relationships and provide clients with the products and services they request. This information is held at our offices.

If at any time you wish to have access to, or correct any of, the information obtained with your permission, please contact us. We may be allowed or obliged to disclose information by law, e.g.: under Court Orders or Statutory Notices pursuant to taxation laws.

We may also disclose personal/business information to other financial institutions and 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 or compliance reviewer as required for audit purposes.

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

What should you do if something goes wrong?

If you have a problem, concern, or complaint about any part of the financial advice or service you have received from us, you may contact us using any of the following means: in writing, by phone, by email or via our website. Our contact details are:

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- 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 we cannot resolve your complaint, or you aren't satisfied with the way we propose to do so, you can contact our financial disputes resolution scheme, the Insurance and Financial Services Ombudsman (IFSO)

If we cannot agree on how to fix the issue, or if you decide not to use the internal complaints scheme, you can contact Financial Services Complaints Ltd (FSCL). This service is free to you, and will help us resolve any disagreements. You can contact FSCL at:

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