

Here is some general information about our business to help you decide if you want to seek our advice.

## **Licensing information**

We operate as a Financial Advice Provider under a current licence issued by the Financial Markets Authority in the name of NZ Financial Services Group Limited (FSP286965)

There are no conditions attached to this licence on the advice that may be given.

## **Our advice and Product Providers**

We provide advice to our clients about life insurance and home loan products.

We only provide advice about products from certain providers, these are:

### Mortgage providers:

ANZ, Westpac, BNZ, ASB, ASAP Finance Limited, Avanti Finance, Cressida, DBR, First Mortgage Trust, Heartland Bank, NZCU, RESIMAC, SBS Bank, SELECT, Southern Cross, The Co-operative Bank, TSB, Zip, Business Basecorp Finance, CFML.

### Insurance Providers:

#### General Insurance

- AMP General Insurance
- Tower General Insurance

#### Life, Disability & Health Insurers

- Partners Life
- Asteron Life
- AIA
- Cigna Life
- Fidelity Life

## **Commission**

On settlement of a loan or issuance of a risk or fire and general insurance policy, we usually receive commission from the applicable product provider. The commission is generally of an upfront nature but may also include a renewal or trail commission. We also receive a fixed rate roll over fee from some product providers if we assist in refinancing your loan.

This commission is used to remunerate the financial adviser that provides the advice, and to pay the expenses associated with running our business including any rent, staff costs and IT resources. From this commission we also pay NZ Financial Services Group Limited for services they provide to us in connection with our authorisation under their licence from the Financial Markets Authority. We take steps to ensure that the receipt of commissions does not influence the advice we give to you and that our advisers prioritise your interests by recommending the best product for your purpose regardless of the type and amount of commission we or they may receive.

We do this by:

- Ensuring our advisers follow an advice process that ensures they understand your needs and goals and that their recommendations on insurance cover meets those needs and goals.
- Ensuring our advisers receive regular training on how to manage conflicts of interest.
- Providing you with a schedule showing commission amounts and types by product provider. This schedule is contained within each Financial Adviser's personalised Disclosure Guide. A Financial Adviser will provide you with more information about commissions during the advice process.

## Fees and Expenses

Generally I won't charge you any fees for the financial advice I provide to you. This is possible because, on settlement of a loan, I usually receive commission from the lender. Any exceptions to this general position are explained below.

I may charge you a one-off fee if the following occurs:

(a) When I don't receive commission from the lender: If you request that I provide financial advice and I do not receive a commission from the lender, I may charge you a one-off fee. Any such fee would be agreed and authorised by you in writing before I complete the services, and would be based on an estimate of the time spent providing the advice.

(This may arise in the rare event that you request that I provide services in relation to either a product that is offered by a lender that I do not hold an accreditation with, or a product that is outside my usual arrangements with my product providers).

(b) Lenders place conditions on the commission that has been paid to a broker. For example – if a loan is partially or fully repaid within their claw-back periods (see lender table below) the commission paid to Advanced Mortgage Solutions will be clawed back.

Typical claw-back rates (from drawdown) are as follows. (however these are subject to change and will be enforced by the given lenders clawback rules at the time).

0-9 Months (100%) 10-18 Months (66%) 19-27 Months (33%) ← ANZ

0-6 Months (100%) 7-12 Months (75%) 13-18 Months (50%) 19-27 Months (25%) ← ASB

0-14 Months (100%) 15-28 Months (50%) ← BNZ

A 5% reduction in clawback each month until 27 Months ← Co Op Bank

0-6 Months (100%) 7-12 Months (50%) 13-18 Months (25%) ← SBS & TSB

0-12 Months (100%) ← Sovereign

0-15 Months (100%) 16-26 Months (50%) ← Westpac

For example – if an ANZ loan of \$100,000.00 was paid off in full after 12 months then the following formula would be used to work out the clawback issued.

$\$100,000.00 \times .85\% = \$850.00 \times 66\% = \$561.00$  ← Commission clawback

By signing this document, you acknowledge that you have been advised of the possibility of a claw-back of commission paid to Advanced Mortgage Solutions in certain circumstances. You further acknowledge and agree that you have been advised that if your lender initiates a claw-back of all or part of any commission paid to Advanced Mortgage Solutions as a result of you refinancing or

repaying the loan within the claw-back periods listed above, you will be required to reimburse Advanced Mortgage Solutions Limited the amount in question. Once notice of a claw-back has been received by Advanced Mortgage Solutions we will invoice you and you will pay the amount owing within 10 days of the date of the invoice. If during this transaction you are still working with Advanced Mortgage Solutions Limited, it would be our goal to transfer the current mortgage to avoid a claw-back situation. However, this is sometimes not achievable. Advanced Mortgage Solutions reserves the right to seek all actual costs incurred arising from the collection of overdue accounts (including collection fees, solicitor/client costs, interest at the rate of 10% from the date the invoice becomes due to date of judgement, and interest at the rate of 10% from the date of judgement to the date of payment).

In the rare event that you may require me to act on your behalf in a transaction whereby I do not receive a commission from the above panel of providers or you request me to act on your behalf with a provider we do not hold an accreditation with, I may charge a one-off fee for this work to be completed. Any such fee would be agreed in advance and authorised by you in writing and is payable by you no later than the day settlement occurs, and the new loan is drawn down. You acknowledge that if payment is not made on or before settlement date interest will be payable as specified in this clause.

## **Conflicts of Interest**

If there are any conflicts of interest apart from commission that could potentially influence the advice that we give, these will be shown in your Financial Adviser's Disclosure Guide

## **Complaints**

If you have a complaint about our service you need to tell us about it. You can contact our internal complaints service by phoning us on 03 980 451 or emailing us at [scott@amsnz.co.nz](mailto:scott@amsnz.co.nz) with the heading Complaint - (Your Name).

Please set out the nature of your complaint, and the resolution you are seeking. We will acknowledge receipt of this within 24 hours. We will then record your complaint in our Complaints Register and notify our Licence Holder. We may want to meet with you to better understand your issues.

We will then investigate your complaint and provide a response to you within 7 working days of receiving your complaint. If we need more time to investigate your complaint, we'll let you know.

If we cannot agree on a resolution you can refer your complaint to our external dispute resolution service. This service is independent and will cost you nothing and will assist us to resolve things with you.

Details of this service are:  
Financial Services Complaints Limited  
Phone: 0800 347 257  
Email: [complaints@fscl.org.nz](mailto:complaints@fscl.org.nz)

## **Our Duties**

Anyone within our business giving advice is bound by and supports the duties set out in the Financial Markets Conduct Act 2013. These duties are:

- Meet the standards of competence, knowledge, and skill and the standards of ethical behaviour, conduct, and client care set out in the Code of Professional Conduct for Financial Advice Providers.
- Give priority to your interests.
- Exercise care, diligence, and skill.