

Licencing Information

PEAK Financial Services Limited (FSP709591), holds a licence issued by the Financial Markets Authority to provide financial advice.

Nature & Scope of Advice

PEAK Financial Services Limited provides advice to our clients about their mortgages, life insurance, health insurance, KiwiSaver, and General Insurance. Our financial advisers provide financial advice in relation to these financial advice products.

We only provide financial advice about products from certain providers and these are listed under the page titled **Our Business Partners**.

In providing you with financial advice, we will only consider existing term life, trauma, income protection and health insurance policies (if any).

We will not provide advice on existing whole of life or endowment products, so you will need to consult a specialist if you would like advice on those products.

We work with you to determine what risks you wish to cover and provide quotes based on the levels of cover you wish to put in place and work with you to determine whether there are any particular risks you have that need to be specified during the application process.

Our recommendations for General Insurance are limited to the following General Insurance providers:

- Blanket Insurance Advisers
- AON Insurance Advisers
- Star Insurance Advisers

In place of an upfront fee, Peak Financial Services is paid a commission by the recommended insurance provider from the premium they charge you depending on which insurance company you take out cover with.

Conflicts of Interest & Incentives

PEAK Financial Services and our financial advisers receive commissions from the providers on whose products we give financial advice (insurers, banks and KiwiSaver providers). If you decide to take out insurance or a mortgage or to take our KiwiSaver advice, the provider will pay a commission to PEAK Financial Services and to your financial adviser. The amount of commission is based on the amount of the premium or mortgage or the KiwiSaver balance.

To ensure that our financial advisers prioritise our clients' interests above their own, we follow an advice process that ensures our recommendations are made on the basis of each client's goals and circumstances. All our financial advisers undergo annual training about how to manage conflicts of interest. We maintain registers of conflicts of interests, and the gifts and incentives we receive.

Life and personal Risk insurers pay us between 140% and 220% of the annual company premium. They also pay us between 5% and 10% each year as a servicing fee and for that we assist in reviewing your policy and assisting at claim time.

This is distributed to your Peak Adviser at variable ratios depending upon their status within Peak.

Fire and general insurance pays us 15% of the company premium (Not including EQC and Fire Service Levies) each time you make a payment.

Kiwisaver providers pay us between \$25 and \$300 initial commission and a servicing commission of between 0.15% and 0.25% of the fund balance. This is disclosed by your Kiwisaver provider in their documents.

Mortgage Providers pay us between 0.65 and 0.8% of the loan amount on settlement. Some also pay us 0.15% of the loan amount each year as a service fee.

For KiwiSaver, the provider pays between \$40-\$300 for the initial advice and then 0.25%- 0.4% per annum on the clients KiwiSaver balance for ongoing client service.

We may refer clients to Managed Funds service, The commission is an ongoing payment of 0.125% of your account balance. This fee is paid to me by the Service Provider from the revenue they receive from the fees you pay."

Record Keeping

PEAK Financial Services will hold client information for seven (7) years from the date that work has been completed. Thereafter, we will securely destroy the client information that we hold.

Information held by PEAK will be made available for compliance purposes when requested by the FMA or another authorised compliance person(s).

Fees & Expenses

Generally we do not charge any fees, expenses or any other amounts for financial advice given to you as we are normally paid by the product provider.

If the financial adviser recommend any insurance policies for you, you will be informed of the costs of the policies.

However

Mortgage

If a mortgage is repaid within 27 months of your mortgage settlement, Peak Financial Services will have to repay some, or all of the upfront commission received to the lender. This is known as "commission clawback".

If the lender charges Peak Financial Services with a commission clawback, due to early settlement of the mortgage arranged for you, Peak Financial Services will ask you to repay to Peak Financial Services the commission that it has to repay to the lender, to a maximum of \$3,000, as cost

recovery for the service provided. This fee has been calculated on an average of 12 hours of advice, negotiation, and administration to complete and submit your loan application, at an hourly rate of \$250.

You will not have to pay a fee if:

- Peak Financial Services was given the opportunity but was unable to get subsequent finance approval.
- you paid an agreed upfront fee when the mortgage was originally drawn, and Peak Financial Services did not receive any commission. This is the case with most short-term loan contracts.

If Peak Financial Services arranges a mortgage for you under the agreed terms and for any reason, you do not proceed, Peak Financial Services will invoice you for their time to a maximum of \$3,000, as cost recovery for the service provided.

This fee has been calculated on an average of 12 hours of advice, negotiation, and administration to complete and submit your loan application, at an hourly rate of \$250.

Insurance

If an insurance policy is cancelled within 24 months, Peak Financial Services will have to repay some, or all of the upfront commission received to the insurer. This is known as “commission clawback”.

If the insurer charges Peak Financial Services with a commission clawback, due to early settlement of the insurance arranged for you, Peak Financial Services will ask you to repay to Peak Financial Services the commission that it has to repay to the insurer, to a maximum of \$3,000, as cost recovery for the service provided. This fee has been calculated on an average of 12 hours of advice, negotiation and administration to complete and submit your insurance application, at an hourly rate of \$250.

You will not have to pay a fee if:

- in Peak Financial Services’ opinion, the insurance cancellation was caused by an exceptional change of circumstances for you.

If we organise co-investment for you with You Own we charge a fee in addition to any commission received of \$1,000 payable at drawdown.

If we need to organise finance for you from a lender who does not pay an upfront commission this will be discussed with you and your acceptance given prior to any application being submitted. Depending on the complexity of the borrowing this fee will start from 1% of the loan amount. We may require you to sign a mandate.

Duties of Information

PEAK Financial Services Limited, and anyone who gives financial advice on our behalf, have duties under the Financial Markets Conduct Act 2013 relating to the way that we give advice.

We are required to:

- give priority to your interests by taking all reasonable steps to make sure our advice isn’t materially influenced by our own interests
- exercise care, diligence, and skill in providing you with advice
- meet standards of competence, knowledge and skill set by the Code of Professional Conduct for Financial Advice Services (these are designed to make sure that we have the expertise needed to provide you with advice)
- meet standards of ethical behaviour, conduct and client care set by the Code of Professional Conduct for Financial Advice Services (these are designed to make

sure we treat you as we should, and give you suitable advice).

This is only a summary of the duties that we have. More information is available by contacting us, or by visiting the Financial Markets Authority website at www.fma.govt.nz

Privacy

PEAK Financial Services collects, holds and uses client information in accordance with the Privacy Act 2020.

(<https://www.legislation.govt.nz/act/public/2020/0031/latest/whole.html#LMS23223>)

All client information will be collected via the PEAK adviser. PEAK will only collect information relevant to our business relationship with the client.

We will limit the use of client information to:

- The carrying out of our business which includes obtaining loan approvals from banks and non-bank lending institutions and obtaining offers of insurance from life and general insurers.
- Fulfilling our legal requirements (e.g. disclosure to law enforcement agencies or the courts);
- Fulfilling Audit and Compliance requirements.

PEAK Financial Services will not share, sell or trade any client information to any other company or person.

PEAK Financial Services will make all reasonable endeavours to ensure that client information is kept secure and confidential.

A client can access the client information PEAK holds about them subject to certain legal exceptions (e.g. information relating to existing or anticipated legal proceedings). A client can request that PEAK change or correct information held by us by telephoning 021 949 772 or sending an email to gary@peakfinancial.co.nz.

Complaints & Handling of Dispute Resolution

If you are not satisfied with our financial advice service you can make a complaint by emailing complaints@peakfinancial.co.nz, or by calling: 021 949 772.

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 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.

If we can't resolve your complaint, or you aren't satisfied with the way we propose to do so, you can contact Financial Dispute Resolution Service (FDRS). FDRS provides a free, independent dispute resolution service that may help investigate or resolve your complaint if we haven't been able to resolve your complaint to your satisfaction. You can contact FDRS by emailing complaints@fdrs.org.nz, or by calling: +64508337337.

You can also write to them at:

Freepost 231075, PO Box 2272, Wellington 6140.

Contact Details

PEAK Financial Services Limited (FSP 709591) is the Financial Advice Provider.

You can contact us at:

Phone: 021 949 772

Email: gary@peakfinancial.co.nz

Address: 81 Matua Rd, Maungatapu, Tauranga