

Disclosure Statement

CUSTOM FINANCIAL SOLUTIONS & SCOTT MCROBIE



DATED

15.02.2021

FINANCIAL ADVICE PROVIDER:

Custom Financial Solutions
FSP725032

LICENSING STATUS:

Transitional License

ADDRESS:

703D Great North Road, Grey Lynn
Auckland

FINANCIAL ADVISER:

Scott Alan McRobie
FSP442326

QUALIFICATIONS:

New Zealand Certificate in Financial Services (Level 5) – Core Strand
New Zealand Certificate in Financial Services (Level 5) – Life and Health Strand

New Zealand Certificate in Financial Services (Level 5) – Residential Lending Strand

Bachelor Of Commerce and Administration Majoring in Marketing & Management Victoria University

EXPERIENCE:

Scott has spent over 10 years working in the Financial Services industry and the last 5 years focusing on personal insurance. As a financial advisor he understands the importance of good advice and service for his clients. Having extensive management and leadership experience, Scott is on various business boards and associations within sectors of early childhood education and also his local business community.

AREAS OF FINANCIAL ADVICE PROVIDED

Custom Financial Solutions only provides advice in the following areas:

- ✓ Employee Benefits Programs; primarily group insurance products provided through employers to staff.
- ✓ Personal risk insurance products * for the staff members of group insurance schemes
- ✓ Personal risk insurance products for individual NZ consumers
- ✓ Business owner protection plans and policies in the areas of share purchase/ business succession, securing debt & personal guarantees, business overheads protection and key person cover.
- ✓ Fire and General Insurance cover through Blanket Cover and referrals to Rothburys
- ✓ I will provide general financial advice on KiwiSaver and the Generate KiwiSaver Scheme. I can help you understand the risks and rewards of KiwiSaver and the Generate KiwiSaver Scheme. I can also show you how to use a risk profile tool, become a member or how to transfer between KiwiSaver schemes. I will not provide recommendations or opinions on financial products issued by other providers
- ✓ Finance Applications, both business and personal home loans through referral to a mortgage advisor or direct to a non bank lender.

**Personal risk insurance products include, life insurance, trauma, permanent disability, income protection and health insurance*

OUR OBLIGATIONS TO YOU

In Providing the services, we will ensure that the adviser works with you in the following manner.

1. Treat you fairly
2. Act with integrity
3. Provide financial advice which is suitable for you
4. Protect your privacy and confidential information
5. Maintain the competence and skill to deliver advice in our area of expertise
6. Maintain the ethical and behavioral standards required by our professional body (Financial Advice NZ) in addition to the duties of care required by NZ law. Well...laws (plural) actually. There are quite a few of them that apply to us and we try to make sure we are ahead of all of them.
7. The adviser will assist you with considering the recommendations and facilitate the application process for products and services selected by you.
8. The advisor will provide on going service of assisting you at a time of claim and also provide a review at the very least bi annually.

COMMISSION - HOW WE GET PAID

Generally we do not charge any fees for the advice and solutions that your adviser provides to you. This is due to the fact that once your insurance is in place we usually receive a commission from the applicable product provider.

The commission is generally upfront and then we receive an ongoing renewal or trail commission.

As a general indicator of the range of commissions which may be paid, Custom Financial Solutions receives standard commission terms from all insurers (there are no preferential terms over and above any other adviser in the market), which are:

- ✓ Group Insurance Products typically up to 20% x the annual premium, continuing to be paid annually
- ✓ Personal Insurance Products typically up to 180% x the first years premium paid by a client, with an ongoing commission typically of 5%-10% of the annual premium
- ✓ If your cover is placed via Blanket Insurance the commission will range from 7.5% to 12.5% of each premium, depending on which insurance products you take out cover with, after taxes and levies

A full schedule of product providers and commission schedules is available on request.

Lastly for Generate Kiwisaver - There is no cost to you for this advice however if you choose to join the Generate KiwiSaver Scheme I will be paid a commission. All commissions are paid by the Manager (Generate) and not by you. You will pay the same fees regardless of whether you receive this advice service or not. The commission is up to \$240 on joining the scheme (depending on the size of your contributions to the Scheme within the first 12 months) and although there is no cost to you, I will receive an amount equal to 0.25% commission per year of your account balance ongoing.

CHARGES - PAYMENTS YOU MAY BE REQUIRED TO MAKE

We may charge you a one-off fee in the following situations:

- ✓ **NO COMMISSION** - If you request that we provide services in relation to a product or service and we do not receive a commission. Any such fee would be agreed upfront and authorized by you in writing before we complete the service.
This may arise in the rare event you request that we provide services in relation to either a product that is offered by a provider that we do not hold an accreditation with, or a product that is outside our usual arrangements with our product providers.
- ✓ **CANCELLATION POLICY:** You agree that if you decide to discontinue a product or service we provide within its commission responsibility period for whatever reason, then we may charge you a fee for the services provided to you in placing that product. This fee may vary depending on what work has been done for you, but we guarantee it will be no more than \$5,000 regardless. The hourly rate used will be \$250/hour in calculating what the fee may be.
This would only arise in very limited circumstances such as if you have cancelled your insurance cover with 24 months of taking out the policy, replaced your existing cover with a new advisor.

CONFLICTS OF INTEREST

We have no financial interest in any insurance company or any other general conflicts of interest in forming a professional opinion or delivering financial advice.

There are no material conflicts of interest to disclose in the form of incentives, as we do not participate in insurer-funded conferences or entertainment or functions as a rule, or any sales campaigns or similar incentives.

We will accept an occasional glass of wine or a cup of coffee from an insurance company representative of course, however these are immaterial and engender no particular warm feelings towards any particular insurer.

Should any actual or potential conflict of interest arise during any engagement with a client we will bring that to your notice promptly, and then seek to manage or avoid the conflict if at all possible. If management or avoidance of a conflict to your satisfaction is not possible then we will resign from the engagement with you and professionally assist with the appointment of a replacement and more suitable adviser.

YOU CAN CONTACT FSCL AT:

ADDRESS: P.O. Box 5967
Lambton Quay
Wellington 6145
4th Floor, 101 Lambton Quay Wellington

TELEPHONE: 0800 347 257

EMAIL: info@fscl.org.nz

THE DISPUTE RESOLUTION PROCESS IS:

1. In the event of a dispute you must notify us that the complaint is not resolved and is now a dispute.
2. We will confirm in writing our internal complaints process, likely timeframes, and our Disputes Resolution Scheme which you can access at any stage should you choose to.
3. Should we fail to handle the problem to your satisfaction within a reasonable time frame then the product providers themselves have internal complaints handling processes which you might wish to also access. This means that if we have used a particular product that is connected to the issue at Dispute, you can contact the company that issued that product and have them attempt to resolve the matter as well.
4. If these options fail to resolve the Dispute to your satisfaction, then you may take the matter to the Financial Services Complaints Ltd of which we are a member. We are bound by the outcome of that process. You can choose to be bound by the outcome but you can also choose to be free to pursue other legal avenues if you wish.

Their service will cost you nothing as we pay for it and it can help us resolve any disagreements.