

TERMS OF ENGAGEMENT

Adviser Sonya Reid
Company Sonya Reid Mortgages & Insurance Limited
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WHAT WE DO

I am a Registered Financial Adviser who specialises in providing advice and transactional solutions for clients in the areas of Mortgages & Risk Insurance services.

HOW WE WORK

I work in the following manner;

- We will agree on areas of advice requirements & establish the terms of our engagement.
- I will get to know you and gather all necessary facts of your situation and identify your specific needs and objectives.
- I will then analyse and research your circumstances & develop strategies to meet your needs and objectives.
- I will facilitate the application process for agreed products and services.
- I will prepare & present a statement of advice outlining my recommendations & implement any such agreed recommendations.
- I will monitor the implementation & review these strategies and actions on a regular basis.
- I also provide an ongoing service of assisting you in managing the re fixing of your mortgage facilities and processing any insurance claim requirements you may have.

EXPERIENCE AND QUALIFICATIONS

I have operated as a specialist mortgage adviser since September 2000. I am a member of NZ Financial Services Group (NZFSG), Private Bag 31905 Lower Hutt, which holds broker agreements with the lenders I direct business to. I have completed the National Certificate in Financial Services (Residential Property Lending), and also hold a Graduate Diploma in Business Studies (Personal Risk Management) from Massey University.

PRODUCT PROVIDERS

I am an Accredited Adviser with the following companies, and recommend the products & solutions I think best fit your circumstances and requirements.

MORTGAGE PROVIDERS

AMP Home Loans (funded by Kiwibank), ANZ, ASB, BNZ, Co-operative Bank, Sovereign Home Loans, SBS Bank, TSB, Westpac, plus Avanti Finance, General Finance, Liberty, NZCU Baywide, Resimac, Southern Cross Partners and Welcome Home Loans.

RISK INSURANCE PROVIDERS

AMP, Aon, AIA, Asteron, Cigna, Fidelitylife, NIB, Partnerslife, and Tower.

PROFESSIONAL INDEMNITY INSURANCE

For your protection, I maintain a Professional Indemnity Insurance Policy of no less than \$1 million (maximum cover \$1 million per claim) via the NZFSG group scheme. In proven cases, this protects my clients from financial loss due to fraud, gross negligence, gross misrepresentation etc if perpetrated by me. This policy is currently held with NZI.

HOW I GET PAID

On settlement of a mortgage or issuance of a risk insurance policy, I receive commission from the above product providers I deal with. The commission is generally of an upfront nature but may also include a small renewal or trail commission. I also do receive a fixed rate roll over fee from some providers if I assist in re fixing your loan. A full schedule of all providers and their commission rates is available on request.

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, if you are based overseas, or if your transaction is of a commercial or short-term nature, 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.

Please note that I have not charged you a fee for my professional advice. My fee is covered by the bank who pays me a commission. However, if you fully repay your mortgage within 24 months (for example by selling the house or refinancing to another bank), I will be required to pay back all or part of the commission I have been paid. If this happens, I reserve the right to charge you a fee for the professional service I have provided you. My hourly rate is \$120 and, as a guide, the professional service I provide on a non-complex, owner occupied mortgage application is around seven hours (\$840). For an investment or construction home loan, it is around twelve hours (\$1440).

YOUR OBLIGATIONS

Any advice or product implementation provided as a result of this needs analysis can only be as good as the information received from you so I ask that you provide me with the information I request. Without relevant and correct information about your personal and financial situation, I run the risk of giving advice that is not appropriate for your needs. If you are unsure as to why I need certain information please ask so that I can explain.

PRIVACY ACT

All discussions and information shared with me are subject to the Privacy Act 2020. You are entitled to access to and information from your file upon request. A detailed description of the authorised use of the information you supply is covered in the Authority and Declaration you sign with each application you make with me.

OTHER MATTERS REQUIRING CLARIFICATION

Legal and Accounting

Any discussions on legal and accounting issues do not replace advice from professionally qualified specialist advisers (solicitors & accountants). We strongly recommend that you obtain such independent and specialist advice.

Personal Risk Insurance

Generally, but especially as part of any financing transaction, clients should review their personal risk insurance requirements. Making a finance application in no way implies that such a review has been applied for with me.

SCOPE OF SERVICE AND ENGAGEMENT

The following are the areas or advice or product that you are requesting from me, subject to any specific objectives or limitations of our engagement. Unless noted below, our discussions and my advice will be in relation to assisting you manage you and/or your family’s financial security in the event of:

- House or Business funding (Mortgage)
- suffering a serious illness or disability (Trauma Insurance)
- suffering a permanent disability (Permanent Disability Insurance)
- loss of income through sickness or disability (Income Protection Insurance)
- requiring timely hospital or specialist treatment (Health Insurance)
- Untimely Death (Life Insurance)
- Other (please specify below)

Specific limitations of this analysis and/or advice documentation

Other specific objectives, tasks or terms of this engagement

ACKNOWLEDGEMENTS

I may be required to evidence that I have explained specific requirements or obligations and provided certain information to you. Can you please acknowledge by signing below that these requirements have taken place?

I / We agree to the terms set out above, and agree that Sonya Reid has explained the contents of this Terms of Engagement document.

DISCLOSURE STATEMENT

I/We acknowledge that I / we have received a Disclosure Statement from the adviser named in this document.

This document was current and dated 13 August 2017.

Client Signature: _____

Client Signature: _____

Client Name: _____

Client Name: _____

Dated: _____

Dated: _____