

STATEMENT OF SERVICES
Version Date: 18/02/2022

1. WHAT IS A STATEMENT OF SERVICES?

This Statement of Services (SOS) is given by *Paterson & Co NZ Ltd* as your Financial Advice Provider and our Financial Advisers who are employed or contracted by *Paterson & Co NZ Ltd*.

This SOS contains information about our services, what we are paid in relation to our services, your rights as a client and other things you need to know in relation to the financial advice we provide to you, including how any complaints you may have will be dealt with.

If you ask us to provide you with financial advice, or we already are, we will do so on the terms set out in this SOS. By requesting our services you accept these terms. If there is any change to these terms we will confirm them to you in writing. This SOS records the basis of our relationship.

You might also receive some other documents after or at the time we provide you with our advice including:

- Letter of Appointment - this details the terms and conditions of our appointment as your general insurance financial adviser;
- Risk Analysis - this is a questionnaire that enables us to assess and understand your needs and objectives in protecting your assets and liabilities;
- Statement of Advice - this is a written summary recording our advice and the basis on which it was provided;
- Policy Wordings - these are legal documents and contain information about the products we recommend to you. They will help you in your decision about whether to acquire the product; and
- Confirmation notices - these will confirm the details of transactions we have arranged on your behalf.

If you need more information or have any questions, please feel free to contact us.

2. WHO IS THE FINANCIAL SERVICES PROVIDER (FSP) LICENCE HOLDER?

Paterson & Co NZ Ltd FSP24621 holds a financial advice provider licence issued by the Financial Markets Authority under the Financial Markets Conduct Act. Our contract details are as follows:

Financial Advice Provider	Paterson & Co NZ Ltd
FSP Register No.	FSP24621
Address	PO Box 67 133 Mount Eden, Auckland 1349
Telephone	Phone 09 486 6065
Email	Mobile 021645996 mike@patersonco.co.nz

Paterson & Co NZ Ltd is part of the Steadfast Group, which provides a number of support services to *Paterson & Co NZ Ltd*

including technology, compliance, training and education assistance.

3. WHO IS YOUR FINANCIAL ADVISER?

Your Financial Adviser is authorised under *Paterson & Co NZ Ltd* licence to provide financial advice services. Enquires with respect to the financial advice services that we may provide you with should be addressed to your Financial Adviser, whose details are as follows:

Financial Advisers	<ol style="list-style-type: none">1. <i>Michael Paterson</i>2. <i>Aleksandra Shmeleva-Gancheva</i>3. <i>Spencer Low</i>4. <i>Chloe Keen</i>
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Your Financial Adviser has met the required standards of competency, knowledge and skill of the Code of Professional Conduct for Financial Advice Services.

4. WHAT RELIABILITY HISTORY SHOULD YOU BE AWARE OF?

Neither *Paterson & Co NZ Ltd* nor your Financial Adviser has been subject to a reliability event. We are required to disclose a reliability event if it might materially influence you in deciding whether to seek advice from *Paterson & Co NZ Ltd* or your Financial Adviser. Examples of reliability events include successful legal proceedings against your Financial Adviser in relation to the contravention of any financial markets legislation in the last five years, or being discharged from bankruptcy in the last four years.

5. HOW WILL WE LOOK AFTER YOUR INSURANCE NEEDS? *Paterson & Co NZ Ltd* and your Financial Adviser are committed to providing professional advice on your general insurance requirements which is based upon your needs and our experience and market knowledge.

We offer a range of insurance and risk management services to assist you to protect your assets and liabilities.

We will undertake the following activities:

- Conduct an analysis of your risk/needs and advise on appropriate general insurance covers required.
- Advise and recommend potential insurance product providers.
- Negotiate rates and obtain terms from potential insurance product providers.
- Confirm cover and terms on your behalf.
- Advise on premium funding option or other products as necessary.
- Once you have chosen the cover you require, we will send you confirmation of cover, obtain policies from the relevant insurance product provider, check the terms are as agreed and provide you with summaries of cover.
- During our relationship, we will:
 - provide you with invoices for premiums,
 - forward premiums paid to insurers as required,

- o forward taxes, and levies to appropriate parties,
- o manage premium adjustments,
- o monitor the published performance of your product provider to ensure it meets Reserve Bank of New Zealand minimum financial guidelines and alert you if it falls below those guidelines,
- o Assist with claim lodgement and provide claim advocacy.

Your Financial Adviser is able to provide regulated financial advice dealing in a wide range of general insurance products.

To enable us to provide advice which is appropriate to your circumstances, we will need you to provide us with information about the risk(s) to be insured to ensure we correctly evaluate your situation, needs and objectives. You should also tell us about any relevant changes as they occur.

If you are unable, or choose not to provide some information to us, our review will be incomplete and may not take into account all of your needs or circumstances. We may still give you advice but will provide you with the details and limitations of that advice or in some cases we may also decide that it is not appropriate to give you advice without further information. You will need to assess the appropriateness of our advice, if given, to your needs before acting on it.

6. WHAT OTHER SERVICES DOES YOUR FINANCIAL ADVISER OFFER?

At your request your Financial Adviser can offer you the following additional services:

- Monthly payment options for your insurance policies.
- Advice on indemnity and insurance provisions in your commercial contracts.
- Arrangement of an independent review of your Business Interruption sums insured and indemnity period from an external expert.
- Assistance with a bespoke Business Continuity Plan for your business.
- Provision of an independent risk engineering and management report.
- Commercial and residential valuations from an external expert.

A number of these services fall outside of our core services and may be subject to the agreement of additional remuneration between us or direct with the relevant outside services provider. We will advise you of any cost you will incur prior to you authorising any work be completed on your behalf.

7. YOUR OBLIGATIONS

Payment

Prompt payment of premiums, taxes and levies (if applicable) on receipt of our invoice (unless arranged otherwise).

You will indemnify us against any liability we may incur regarding payment of Fire and Emergency NZ levies payable when policies are placed with overseas insurers.

Information

You are solely responsible for the accuracy of any information provided by you to us and to your insurance product provider. Inadequate or incorrect information provided or in error could result in the impairment or voiding of your insurance cover

We take no liability for the accuracy or completeness of any information that you provide for the placement or provision of general insurance on your behalf, or incomplete or inaccurate information.

Please let us know if you have any concerns regarding the information you are providing or the level of insurance cover you are requesting.

You are required to:

- Fully disclose any material information to us and your insurance provider. Disclosure in the context includes every matter that you know or could reasonably be expected to know that is relevant to the insurer's decision to accept the risk and, if so, on what terms.
- Set adequate sums insured and liability limits of cover.
- Advise us if you have any questions or concerns regarding the information you are providing for insurance purposes.

8. WHAT FEES AND COMMISSIONS ARE PAYABLE FOR SERVICES?

You are entitled to know how and what we will charge for our services and what other benefits we receive.

When you take out, alter or cancel insurance cover following our advice, *Paterson & Co NZ Ltd* may charge you an Adviser Service Fee plus GST and charges, and may charge an Administration Fee for processing insurance premiums. *Paterson & Co NZ Ltd* may also receive a commission from the Insurance Company of between 5% and 25% of the premium. Our average commission on company premium is 13% being one of the lowest in Australasia according to a benchmarking study. Our Commission is calculated using the Brokerage Table, which is available to view on our website.

If we refer you to a premium funder with whom you enter into a premium funding arrangement, *Paterson & Co NZ Ltd* may receive a commission of between 0% and 1% of the amount you borrow.

9. CONFLICTS OF INTEREST AND INCENTIVES

Paterson & Co NZ Ltd may pay your Financial Adviser a salary, plus bonuses and other incentives. *Paterson & Co NZ Ltd* Financial adviser may receive indirect benefits from insurers and premium funders such as business lunches, tickets to sporting and/or cultural events or corporate promotional merchandise.

We recognise that the above commissions and incentives may create conflicts of interests for *Paterson & Co NZ Ltd* and your Financial Adviser. There may also be conflicts of interest between different clients of *Paterson & Co NZ Ltd*.

To manage these conflicts we follow an advice process that ensures our recommendations are made based on your financial goals and circumstances. Your Financial Adviser undergoes specialist training in how to manage conflicts of interest. *Paterson & Co NZ Ltd* undertakes compliance audits of your Financial Adviser and we also annually audits our conflicts of interest compliance framework.

We may, however, choose to rebate all or some of the commissions we receive and charge you a fee based on the nature of the service we provide which we will agree with you.

10. WHAT ARE OUR TERMS OF PAYMENT?

We will invoice you for the premium, statutory and similar charges (eg EQC, FENZ levy, etc) and any fees we charge for arranging, altering or cancelling your insurances.

You must pay us within the date specified on the invoice or, in the case of a renewal, before the expiry date of the contract of insurance.

If you do not pay the premium on time, the insurer may cancel the contract of insurance and you will not be insured. The insurer may also charge a short term penalty premium for the time on risk.

Premium funding enables you to pay your premiums and statutory and other charges by instalments. We can facilitate the payment by monthly instalment from a company that provides premium funding.

Term and Termination

Our services may be terminated by you or *Paterson & Co NZ Ltd* with one month's notice in writing to the other party.

If you decide to terminate our services we will be entitled to retain all commissions and fees for any policies of insurance that we have arranged on your behalf. In the event that any insurance premiums are outstanding at the time of termination you must pay us these amounts as part of the termination arrangements.

We will provide all reasonable assistance and cooperation after such notice of termination.

We may continue to answer queries and provide assistance after this period if requested by you, however we reserve the right to charge scaled fees for the provision of such services.

Account for Client Funds

Dedicated Paterson & Co NZ Ltd operates an account for the collection of client general insurance premiums and the onward payment of insurance premiums to insurers.

11. IBANZ AND THE CODE OF PROFESSIONAL CONDUCT

Paterson & Co NZ Ltd is a member of the Insurance Brokers Association of New Zealand (IBANZ) and are bound by the IBANZ Code of Professional Conduct.

The Code sets out standards for financial advisers to follow when dealing with clients including requirements to inform clients of remuneration arrangements and any conflict of interest.

A copy of the Code is available on IBANZ' website:
<http://ibanz.co.nz/About-Us/10009/>

12. WHO DO I CONTACT WITH ANY COMPLAINTS AND/OR DISPUTES?

If you are not fully satisfied with our services or wish to make a complaint, please speak to your Financial Adviser in the first instance. If your complaint is not resolved to your satisfaction or you do not want to speak with your Financial Adviser, you may contact Paterson & Co NZ Ltd NZ directly as follows:

Complaints Officer
Michael Paterson
PATERSON & CO NZ LTD
PO Box 67133, Mount Eden, Auckland 1349
Phone 09 486 6065
Mobile (Michael Paterson) 021 645 996
E-mail mike@patersonco.co.nz

We will endeavour to resolve your problem openly and fairly and within a timely manner.

If you are unable to resolve your complaint with *Paterson & Co NZ Ltd*, you may refer it to Financial Disputes Resolution Service (FDRS), of which *Paterson & Co NZ Ltd* is a member. FDRS is an approved independent dispute resolution scheme which handles complaints against financial service providers, including insurance brokers. FDRS is free to consumers and its decisions are binding on *Paterson & Co NZ Ltd* (but not on you). Further information about FDRS is available from *Paterson & Co NZ Ltd* and/or from <https://fdrs.org.nz/>. You may contact FDRS directly on 0508 337 337.

In some circumstances a dispute may arise between you and the insurer. In such circumstances *Paterson & Co NZ Ltd* will assist you with details of the insurer's Internal Dispute Resolution process and, if the dispute remains unresolved, access to the Insurer disputes resolution scheme. If the dispute proceeds, you should obtain legal advice from a qualified lawyer