



Terms of Engagement

It is important that you read and understand these terms and conditions as they describe the obligations of both Auckland City Brokers Ltd, and you as a client, regarding the services we provide.

ABOUT US

Who we are

Adviser Richard Hurley

Company Auckland City Brokers Ltd

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Auckland City Brokers Ltd has been trading since 1999. Richard Hurley is the sole Director and majority shareholder of the Company.

Richard Hurley is an Authorised Financial Adviser (AFA). This means he has been authorised by the Financial Markets Authority to provide the following Financial Service.

Personal Risk Insurance Advice.

My Investment Business was sold in 2014, and I have chosen to be no longer authorised to give any investment advice. I deal solely in Personal Risk Insurance for Individuals, families and business owners. (Business Insurance)

Experience and Qualifications

I have been involved in the Financial Services Industry since 1986 and have extensive experience in the areas of Superannuation Planning, Investment Products and Personal Insurance.

I am a past Chairman of the Board of Trustees of the Airways Corporation Superannuation Fund, a State owned Enterprise.

I completed a three-year Diploma in Business Studies at Massey University endorsed personal Financial Planning

As an AFA, I am required to undertake the mandatory number of continuing professional development (CPD) hours required by the code of Professional Conduct for Authorised Financial Advisers.

Auckland City Brokers Ltd is a member of **Plus Four Insurance Solutions**. This is a New Zealand wide Co-operative operating under a common brand, dedicated to providing quality

advice on a wide range of business insurances. Currently there are 40 members throughout New Zealand. www.plus4.co.nz

Our Services include the following

- A personalised service for individuals, families and businesses looking for Personal Insurance.
- A service for Companies who are seeking to provide group benefits for their employees such as medical / life cover and Income protection.

Our Plans include the following insurance products

Life Insurance	Trauma Insurance	Income protection
Mortgage Protection	Health Insurance	Total and Permanent Disablement

How We Give Advice

Auckland City Brokers Ltd will have regard to your circumstances and objectives, as identified by you, when providing a planning service.

We follow a simple three step process when providing advice;

1. We agree exactly what type of service you want and identify your requirements.
2. We prepare a plan or product options to meet your needs or requests.
3. We agree any implementation and other actions to ensure the product works for you.

Three Scopes of Service Are Available

1. **A fully comprehensive written personal insurance planning service** which discusses your circumstances, identifies all of the potential risks for your situation, and makes recommendations regarding the levels of cover that are appropriate to cover those risks in full.
2. **A limited Advice Scope of Service.** This is a scope of service, restricted to the provision of personal written advice regarding the life insurance risks and financial objectives that should be considered, following an analysis of personal and or business data, so that you, the client, can issue instructions regarding the types and levels of cover to be implemented.
The advice is limited by stated client restrictions as to cost, level of cover, type of cover or other circumstance.
3. **A Transactional Service only.** The client states what products and level of cover are required, and requests that these are implemented. No personal financial advice is given.
No consideration is given to client circumstances, or the appropriateness of the cover requested.

Disclaimer

While every care will be taken in preparing your recommendations under a **limited scope of service**, we will rely largely on your judgement with regards to the actual level of insurance required. Accordingly, we can offer you no assurances that the types and levels of cover that you may choose will meet your financial requirements and those of any beneficiaries.

Our best advice is that all clients complete a comprehensive review of their insurance requirements prior to implementing new insurance. This involves the collection and analysis of financial data, examination of existing insurance policies, an in-depth discussion of needs and objectives as these relate to life risks, and the provision of a **Comprehensive Insurance Plan** covering all aspects of insurance requirements that should be considered in an ideal world. **This is called a full suitability analysis.**

Your Obligations

The advice we give is based upon an analysis of the information you provide;

- Please provide all relevant information while ensuring that it is true and correct.
- Please ask me if you are unsure why certain information is being requested.
- Please update us on any material change to your circumstances both during this initial phase and into the future.

Professional Bodies

I am a member of the **Institute** of Financial Advisers, and as a condition of membership I adhere to the IFA Code of Ethics and Practice Standards in all facets of my practice.

Professional Indemnity Insurance

I have professional Indemnity Insurance which covers all areas of my practice as listed above

This insurance provides protection for clients for:

- Any errors or omission
- Defamation
- Employee dishonesty

The underwriter is **Lumley General Insurance**. As with all insurance, this cover has limitations, and is subject to certain exclusions and terms and conditions.

Independent Research

We engage two independent research companies

- **Plantech** Risk Researcher, whose systems provide analysis of personal Insurance products in New Zealand based on policy wordings and benefits.
- **Quote Monster**, another independent research company who also provides comparative Insurance quotes.

The insurance solutions we recommend are chosen from the top insurance providers in New Zealand.

Our Product Partners based on this research are

Fidelity Life, Asteron, AIA, Sovereign, NIB, Southern Cross Medical

This means that we have a close working relationship with these companies and often talk directly to the people who are managing your insurance policy. This is very important and ensures that we are able to offer a great level of service at the time of policy implementation, change, and particularly at claim time.

Fees and Remuneration

Remuneration due to Auckland City Brokers will vary as to the scope of Service requested. Our Remuneration is largely based on commission received from Insurance Providers. We also receive consulting fees and insurance plan writing fees.

1. A Fully Comprehensive Written Insurance Plan;

The cost of the plan will be a minimum of \$1500 + GST depending on the complexity of the client's circumstances. A quote will be given, with the proviso that, if the plan is actually implemented within three months, then the plan cost will be offset by any commission received by us.

2. A Limited Advice Scope of Service

There will be no cost to the client for consultation and implementation of Insurance Cover under this scope except as stated below under cancellation fees.

Remuneration to Auckland City Brokers Ltd will be by way of commission received from the product provider.

3. A Transactional Scope of Service

There will be no cost to the client for this scope of service.

Remuneration to Auckland City Brokers Ltd will be by way of commission received from the product provider.

Cancellation Fees. (Please note)

- Where the client cancels the business lodged with an insurer, but before the policy has been issued, then there will be a flat fee of \$500 payable by the client.
- Where the client cancels a policy within 12 months of the policy being issued, but not including any free look period offered by the insurer, then the cancellation fee will be 75% of any commission received.
- Where the client cancels a policy after 12 months but less than 24 months following implementation, then the cancellation fee will be 50% of any commission received.

Fees for Miscellaneous Insurance Consultation/ Situation analysis

These will be subject to a quote based on an Hourly rate of \$240.00 + GST

Privacy Act
Scope of Service and Engagement

The following are areas of personal risk and insurance advice that you are requesting from me, subject to any specific objectives or limitations of our engagement detailed below.

- Life Insurance
- Trauma Insurance
- Permanent Disability
- Income Protection for sickness and disability
- Medical Insurance

The Scope of Service I am requesting is

- A Fully Comprehensive Personal Insurance Plan
- A Limited Advice Scope of Service
- A Transactional Service Only

Where a Limited Advice Scope has been chosen. The advice is limited by stated Client restrictions as to; Cost, Level of Cover, Type of Cover, or other circumstances as shown here.

Other areas of advice, specific objectives, tasks or terms of this engagement

Adviser remuneration

Type	Comments / Details
<input type="checkbox"/> Fees only	
<input type="checkbox"/> Fee	
<input type="checkbox"/> Commission	

Your Obligations

Any advice provided as a result of this discovery discussion 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, financial** and/or **business** situation I run the risk of giving advice that is not appropriate to your needs. If you are unsure as to why I need certain information, please ask so that I can explain.

Privacy Act

1. It is understood that any information gathered for this needs analysis is personal and **I undertake to keep this information confidential and secure.**
2. The Privacy Act 1993 gives you the right to request access to, and correction of, your personal information.
3. Information provided by you or any authorised agent, will be used by me and any members of my staff for the purpose of providing advice to you and may also be used by any:
 - a. Product or service provider when implementing any of my/our recommendations or variations thereof;
 - b. Compliance advisers, assessors or by any claims investigators who may need access to such information; and
 - c. Other professionals such as solicitors, accountants, finance brokers, financial planners when such services are required to complement this advice and as requested by you.
4. The information will be held by me / us at the advisers office address detailed on the previous page and may be in paper format and/or electronic files and/or may be held remotely in secure electronic storage systems.

Acknowledgments

Compliance or regulatory bodies may require 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.

Disclosure Statement

I / we acknowledge that I / we have received a Primary Disclosure Statement from Richard Hurley.

I / we acknowledge all the information and Terms of Engagement as set out in this document and in particular:

- **Provision of information**

I / We acknowledge the advantages of undertaking a full suitability (needs) analysis and the need to provide relevant personal and financial information and by not doing so I / we risk receiving advice or product recommendations that may not be appropriate to my / our needs.

- **Scope of service**

I / We understand the services being provided are restricted to the scope of service or subject to specific limitations indicated on the previous page.

- **Privacy Act**

I / we acknowledge I / we have read and understood the information relating to the Privacy Act 1993 and how this information may be used.

- **Adviser remuneration**

I / We acknowledge I / we have had the basis of adviser remuneration explained and I/we agree to the option (s) indicated above;

Signature: _____

Signature: _____

Date: ____/____/____

Date: ____/____/____