

# IMPORTANT INFORMATION DISCLOSURE

Medcapital NZ Limited (**Medcapital**) is a Financial Advice Provider (FAP) licensed and regulated by the Financial Markets Authority to provide financial advice. Our Financial Services Provider number is FSP:620289.

## Areas we can provide you with Advice

We provide the following types of financial adviser services:

- Financial advice – providing recommendations and opinions in relation to acquiring or disposing of financial products.
- Investment planning services – designing and providing a documented financial plan based upon an analysis of your current and future overall financial position and identification of your investment goals, including recommendations and opinions as to how to realise these goals.
- Switching funds within a Managed Investment Scheme (including KiwiSaver)

We provide advice in the following subject areas:

Cash/Debt Management	We look at cash flows to identify inefficiencies which will assist in meeting goals. This may include changing debt structure.
Risk Management	Identifying insurable risks for clients and their businesses and managing them with a personal insurance strategy.
Retirement Planning	Assessing retirement goals and helping to identify the means available and the commitment needed to achieve them.
Investment Advice	Providing the appropriate investment vehicles to meet risk and reward expectations and help save for medium and long-term goals.

We can provide you with financial adviser services in respect of the following types of financial products:

Investments	Insurance	Finance
KiwiSaver	Life protection	Home Loans/Residential Lending
Superannuation	Disablement	Mortgages
Managed Investment Schemes (e.g. managed funds or unit trusts)	Trauma	Consumer Credit Contracts
Directly held equities	Income protection	
Directly held debt securities (e.g. debentures)	Health	
Fixed interest	Whole of life Endowment	
Bank Term Deposits	Personal risk	

Our Financial Adviser's (Advisers) specialise in different areas, meaning not all of our advisers can advise on all product areas and needs listed above. Please click the link to meet our [Financial Advisers](#) to see who can advise on which area.

With regard to **investment products**, these are accessed via the Consilium custodial platform. The investment products we recommend are limited to those available via the Consilium platform and are based upon model portfolios and an Approved Product List. The Medcapital Investment Committee is responsible for constructing and reviewing the model portfolios and Approved Product List in accordance with our Investment Policy Statement.

The **investment products** we recommend are limited to those available via the Consilium platform and are based upon model portfolios and an Approved Product List. To see a list of these products, visit [here](#).

To see a list of these **KiwiSaver Schemes** we may recommend, visit [here](#).

When it comes to **risk management products**, **Medcapital** needs to have a contractual agreement with a provider to place business with that provider. To see a list of the providers **Medcapital** has contractual agreements for the sale of insurance products that we may recommend to you, visit [here](#).

For **Financial Products**, we can recommend products and solutions that best fit your circumstances and requirements from a range of providers. To see a list of these providers, visit [here](#).

We are not required to place any specified level of business with any provider or financial organisation.

## Our Duties and Obligations to You

We have a duty and obligation under the Financial Markets Conduct Act 2013, as providers of regulated financial advice, to ensure that our Financial Advisers:

- we comply with the standards of ethical behaviour, conduct and client care required by the Code of Professional Conduct for Financial Advice Service,
- meet the standards of competence, knowledge, and skill (including any continuing professional development requirements) provided in the Code of Professional Conduct for Financial Advice Services,
- give priority to the client's interests, and
- exercise care, diligence, and skill.

To ensure that our Financial Advisers continue to meet these obligations all of our Financial Advisers undergo training specific to the Code of Professional Conduct for Financial Advice Services requirements and are required to meet agreed professional development training criteria.

## Fees Medcapital NZ Ltd may charge

### Membership Fee

If you agree to proceed with Membership, you will pay a Membership fee. The cost of this will depend on the scope of our services agreed, but will not exceed \$1,000 per annum (excluding GST).

Membership includes the following services:

- Access to a Private Wealth Manager
- An Exceptional Wealth Plan, which includes a tailored strategy in relation to protecting, growing and enjoying your wealth and is updated annually during the term of engagement
- Support with and advice on the implementation of your Exceptional Wealth Plan
- Preparation and lodgement of an individual annual tax return (required information must be supplied in mandatory format or additional fees may apply)

Apart from your Membership fee, we do not usually charge clients any additional fees. If we do need to charge you a fee, the fees we charge will vary depending on the nature of the services provided and will be discussed with you in detail and before incurring the fee.

We may charge an hourly rate for some work such as a Plan Fee or an Implementation Fee. We will provide more information about any fees that may be applicable when we know more about what you need.

#### Investment management and custodial service

##### Portfolio Service fee:

The Portfolio Service Fee covers the service that we charge for the monitoring and reporting on the performance of the portfolio in terms of your goals. This includes ongoing annual reviews and portfolio adjustments to make sure your investment strategy keeps up with any changes in your circumstances.

The Portfolio Service Fee is deducted monthly and calculated as a percentage of your balance invested, less cash balance.

##### **Medcapital** Portfolio Administration Fee:

Where we recommend a Private Wealth Portfolio you will be charged a Portfolio Administration Fee. The Portfolio Administration Fee covers the portfolio administration that **Medcapital** provides, e.g. rebalancing of your portfolio.

The Portfolio Administration Fee is a flat dollar-based fee on \$100 per month and is deducted by the platform provider from your portfolio's cash management account every month and will be visible in the periodic reports provided as agreed. This fee is currently GST exempt.

##### Consilium Administration and custody fee:

Consilium is an investment portfolio service used by **Medcapital**. This service includes the safe-keeping of your investments with a reputable custodian, the administration behind all transactions, online access and regular reporting.

The Portfolio Service Fee is deducted monthly and calculated as a percentage of your portfolio balance.

##### KiwiSaver Financial Adviser Fee:

The KiwiSaver Financial Adviser Fee covers the service that we charge for monitoring and reporting on the performance of the portfolio in terms of your goals. This includes ongoing annual reviews and recommendations to ensure the investment strategy for your KiwiSaver account keeps up with any changes in your circumstances. The KiwiSaver Financial Adviser Fee is calculated as a percentage of your balance invested and will be deducted either monthly or daily (depending on the KiwiSaver Scheme recommended).

## Remuneration

Our Financial Adviser's are remunerated as employee's by salary (on a PAYE) basis. They may be eligible to receive a bonus payment if they achieve the required outcomes across a balanced scorecard of performance indicators.

Our Financial Adviser's may receive free or discounted travel and/or corporate gifts from providers if they recommend them as a product provider, depending on the total volume of business done with them. They may also receive benefits in the form of entertainment (e.g. rugby and concert tickets, golf days, etc.), subsidised professional development (e.g. below actual cost conference attendance, subsidised cost training courses, etc.), or office supplies (e.g. notepads, pens, etc.), from product providers.

**Medcapital** will or may receive remuneration from the following sources:

- Investment: We may receive remuneration for the financial adviser services provided to you in relation to investments, such as a referral fee from a provider to **Medcapital**.

- Commission – Insurance: We may receive commissions for the financial adviser services provided to you in relation to insurances. We receive commissions from the insurance companies about whose policies we give advice. If you decide to take out insurance, the insurer will pay **Medcapital** a commission. The amount of the commission is based on the amount of the premium agreed.
- Referral Fee– Property Investment: **Medcapital** may receive remuneration for referring you to a Property Consultant in relation to property investment if you proceed with a purchase.

Once we have analysed your situation and are in a position to provide recommendations to you, we will provide you with further details about the commissions and conflicts that are relevant to our advice, including details about the amounts received.

By understanding what is important to you and matching the appropriate solution to you we are able to manage any conflicts of interest that may be present due to these fees, commission, bonuses and rewards.

To ensure that our Financial Advisers prioritise the client’s interests above their own, we follow an advice process that ensures our recommendations are made on the basis of the client’s objectives, needs and circumstances. All of our Financial Advisers undergo training about how to manage conflicts of interest.

We further manage possible conflicts of interest by:

- Avoiding any production requirements for one product provider
- Not accepting any gifts over a value of \$100 offered by product providers
- Having access to a range of product providers
- Using third party product research as part of our analysis
- Conducting compliance reviews of advice provided to ensuring adherence to the advice process

## Complaints and Disputes

If you have a problem, concern, or complaint about any part of our service, please let us know so that we can try to fix the problem. You can contact our internal complaints scheme by email, post or phone using the contact details below. Your complaint will then follow our Complaints Handling Process that is facilitated by our Head of Risk & Compliance who will contact you directly.

### Contact Details

**Email** [info@medcapital.net](mailto:info@medcapital.net)  
**Postal** Attn: Feedback, Medcapital, PO Box 1143, Christchurch 8140  
**Phone** 0508 633 227

If you are not satisfied with **Medcapital’s** complaint handling procedure, once completed, or the resolution offered by **Medcapital**, you may make a complaint to FSCL free of charge. FSCL offers an independent dispute resolution scheme that may help you to resolve your complaint if we cannot. **Medcapital’s** complaint handling procedure will cease where a complaint is referred to FSCL.

**Medcapital**, is a member of Financial Services Complaints Limited (FSCL), an approved dispute resolution scheme for the purposes of the Financial Service Providers (Registration and Dispute Resolution) Act 2008. More information about FSCL’s dispute resolution process can be found on their website at <http://www.fscl.org.nz/>.

You can contact FSCL by emailing [info@fscl.org.nz](mailto:info@fscl.org.nz), calling on 0800 347 257 or 04 472 3725 or in writing to PO Box 5967, Lambton Quay, Wellington 6145.

***\*A hard copy of this Important Information Disclosure is available upon request\****