

STATEMENT OF SERVICES

Version Date: 06/09/2024

1. WHAT IS A STATEMENT OF SERVICES?

This Statement of Services (SOS) is given by Donaldson Brown NZ Limited (Donaldson Brown) as your financial advice provider and our Financial Adviser who is employed or contracted by Donaldson Brown.

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 are any change to these terms, we will confirm them to you in writing. This SOS records the basis of our relationship.

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

Donaldson Brown NZ Limited (Donaldson Brown) FSP1005611; holds a Class 2 financial advice provider (FAP) licence with effect from 11/07/2023 issued by the Financial Markets Authority.

Our licence details are as follows:

FAP	Donaldson Brown NZ Limited (Donaldson Brown)
FSP Register No.	FSP1005611
Address	PO Box 37068, Parnell. Auckland 1551
Telephone	09 215 3371
Email	compliance@dbib.co.nz

3. WHO IS YOUR FINANCIAL ADVISER?

Your Financial Adviser is authorised under Donaldson Brown's 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 Adviser	George Carver
FSP Register No.	FSP307246
Telephone	021 434 173
Email	george@dbib.co.nz

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 Donaldson Brown, 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 Donaldson Brown or your Financial Adviser.

5. HOW WILL WE LOOK AFTER YOUR INSURANCE NEEDS?

Donaldson Brown 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.

To enable us to provide advice, which is appropriate to your circumstances, we will need you to provide us with information 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 consider all 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.

Donaldson Brown can undertake the following activities:

- Conduct an analysis of your risk/needs and advise on appropriate life and disability 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.
- Manage policy adjustments.
- Assist with claim lodgement and provide claim advocacy.

6. WHAT SERVICES DOES YOUR FINANCIAL ADVISER OFFER?

George Carver is employed by Donaldson Brown NZ Ltd. They are able to provide regulated financial advice dealing in a wide range of Life and Disability Insurance Products.

7. DUTIES OF THE FINANCIAL ADVICE PROVIDER

We have duties under the Financial Markets Conduct Act 2013 and the Code of Professional Conduct for Financial Advice Services (Code) relating to the way that we give advice.

We are required to:

- Give priority to your interests by taking all reasonable steps to ensure our advice isn't materially influenced by our own interests.
- Exercise care, diligence, and skill in providing you with advice.



- Meet standards of competence, knowledge and skill set by the Code (these are designed to make sure we have the skills and knowledge required to provide you with relevant information).
- Meet standards of ethical behaviour, conduct and client care set by the Code (these are designed to make sure we treat you as we should and give you suitable information).

This is only a summary of the duties that we have. More information is available by contacting us, or by visiting the Financial Markets Authority Website at www.fma.govt.nz.

8. WHAT FEES, EXPENSES AND OTHER AMOUNTS ARE PAYABLE FOR SERVICES?

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

Donaldson Brown has spent many years forging relationships with local and international insurance providers. The benefits of these relationships are seen everyday by our clients in the outstanding range, competitive pricing, coverage options and policy support services they receive.

For our life and disability clients, Donaldson Brown either receives a fee from the client or commissions from the insurer premium, in all instances this income is fully disclosed to our clients.

Where possible and it is more beneficial to you as a client to remove commissions and charge a fee for service instead, we will discuss and agree with you the fees associated with implementation and on-going servicing.

Policy Cancellation: In the event that your policy is cancelled or lapses in the first 2 years from its inception, Donaldson Brown is liable to return commissions it has received. We will therefore charge you a fee commiserate for the financial advice that we have provided you.

We will use the following formula to calculate the fee:

Cancellation fee = \$1,200 + GST for 8 hours of work, calculated at \$150+GST per hour. We will invoice you for this fee and it will be payable on the 20th of the month following the cancellation of your policies.

Not Proceeding with Advice

If you decide not to act on our advice provided after our active engagement, then we may charge you an hourly fee of \$150 + GST for the services provided (discovery process, needs analysis, research, advice).

This will be based on the time it has taken to prepare our advice to you. The average charge for this service is \$900 + GST which is calculated at 6 hours.

This does not apply to situations where cover has not been proceeded with due to the insurer offering disadvantageous terms based on medical history, family history, dangerous occupations, or past times / hobbies.

"Our operating principal for all clients since inception is "no hidden fees, no hidden commissions".

9. CONFLICTS OF INTEREST AND COMMISSIONS OR OTHER INCENTIVES

Donaldson Brown operate in a totally transparent and conflict free manner by disclosing all fees and/or commissions.

The amount of the commission received varies as it is calculated as a percentage of the insurance premium charged. You will be advised of the amount of the commission at the time the financial advice is provided.

There are two forms of commission in Life & Disability insurance:

- Upfront Commission (advice and implementation) – this is paid to us as a one-off once the policy has been implemented.
- Renewal Commission (ongoing servicing, paid after first policy anniversary) – this is the ongoing remuneration that we receive from the insurer, traditionally paid monthly to us rather than as a lump sum.

Donaldson Brown pays your Financial Adviser a salary, plus bonuses and other incentives. Donaldson Brown and your 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 may also receive additional overrides from some insurers. These are designed to support businesses with their compliance training and administrative cost and have no impact on your insurance premium costs.

We recognise that the above commissions and incentives may create conflicts of interests for Donaldson Brown and your Financial Adviser. There may also be conflicts of interest between different clients of Donaldson Brown.

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. Donaldson Brown undertakes compliance audits of your Financial Adviser, and we also annually audit our conflicts of interest compliance framework.

Referrers

Donaldson Brown may have agreements with external parties, where they refer any identified Life & Disability Insurance business to us (Referrers). We may pay referrers for this business in which case we will disclose who the agreement is with and the payment amount at the time the financial advice is provided.

AIA Vitality

Where AIA Vitality is attached to a policy, the annual premium that is used to calculate the commission, is the annual premium before the AIA Vitality discount is applied (10%).



10. WHAT ARE OUR TERMS OF PAYMENT?

Fee Invoices

For your fee invoice you must pay us within 10 days of the receipt of the invoice.

For Life & Disability insurance invoices you need to pay the insurer directly within the date(s) specified on the invoice/email.

If you do not pay the premium on time, the insurer may cancel the contract of insurance and you will not be insured.

11. TERM AND TERMINATION

Our services may be terminated by you or Donaldson Brown with one month's notice in writing to the other party. Longer term arrangements can be agreed in advance by both parties.

If you decide to terminate our services, we will be entitled to retain all commissions and/or fees for any policies of insurance and/or risk services that we have arranged / provided 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.

12. GENERAL INFORMATION

Professional Indemnity Insurance

Donaldson Brown and its financial advisers are covered under a professional indemnity insurance policy in the amount of NZ\$10m in respect of life & disability products.

These insurances (subject to its terms and conditions) cover errors and omissions arising from advice provided by Donaldson Brown through its financial advisers.

If you require further information regarding our Professional Indemnity insurance, please contact our office.

Other Services

Donaldson Brown can also provide access to other services. 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.

Donaldson Brown also can provide the following services:

- Claims and Risk Management Services outside of your insurance programme.
- Fire & General Insurance Services for your Personal Assets or your Business Assets and Liability

requirements through our specialist General Risk Advisers.

13. YOUR OBLIGATIONS

Payment

Prompt payment of fees (if applicable) on receipt of our invoice (unless arranged otherwise).

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 intentionally or in error could result in the impairment or voiding of your insurance cover.

We take no liability for inaccurate or incomplete information that you have provided us for the placement or provision of insurance on your behalf.

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.

14. 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 Donaldson Brown directly as follows:

Complaints Officer

Donaldson Brown

PO Box 37068, Parnell, Auckland 1052

Phone: 09 215 3371

Email: complaints@dbib.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 Donaldson Brown you may refer it to Financial Services Complaints Limited (FSCL), of which Donaldson Brown is a member.

FSCL is an approved independent dispute resolution scheme which handles complaints against financial service providers, including insurance brokers. FSCL is free to consumers and its decisions are binding on Donaldson Brown (but not on you). Further information about FSCL is available from Donaldson Brown and/or



directly from FSCL. www.fscl.org.nz. You may contact FSCL directly on 0800 347 257.

In some circumstances a dispute may arise between you and the insurer. In such circumstances Donaldson Brown 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.

15. PRIVACY COLLECTION NOTICE (Privacy Act)

At Donaldson Brown NZ Limited (Donaldson Brown) we are committed to protecting your privacy in accordance with the Privacy Act 2020 (Privacy Act), Health Information Privacy Code 2020 and the New Zealand Information Privacy Principles (NZIPPs). This Privacy Notice outlines how we collect, disclose, and handle your personal information as defined in the Act.

WHY WE COLLECT YOUR PERSONAL INFORMATION?

We collect your personal information so we can:

- Identify you and conduct necessary checks (including where required by the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 and other legislation).
- Determine what services or products we can provide to you e.g., our insurance broking services, financial advice services, funding services, claims management services, risk management and other consulting services.
- Issue, manage and administer services and products provided to you or others, including claims investigation, handling, and settlement.
- Improve our services and products e.g., training and development of our representatives, product and service research and data analysis and business strategy development; and
- Provide you with information and to tell you about our products, services or events or any other direct marketing activity (including third party products, services, and events which we consider may be of interest to you).

WHAT IF YOU DO NOT PROVIDE SOME PERSONAL INFORMATION TO US?

If the required personal information is not provided, we or any involved third parties may not be able to provide appropriate services or products. If you do not provide the required personal information, we will explain what the impact will be.

HOW WE COLLECT YOUR PERSONAL INFORMATION?

Collection can take place by telephone, email, or in writing and through websites (from data you input directly or through cookies and other web analytic tools).

Unless it is unreasonable or impracticable for us to do so, we will collect your information directly from you or your agents.

We may obtain personal information indirectly and who it is from can depend on the circumstances. We will usually obtain it from another insured if they arrange a policy which also covers you, related bodies corporate, referrals, your previous insurers or insurance broker/adviser, witnesses in relation to claims, health care workers, publicly available sources, premium funders, and persons who we enter into business alliances with.

If you provide us with personal information about another person you must only do so with their consent and agree to make them aware of this privacy notice.

WHO WE DISCLOSE YOUR PERSONAL INFORMATION TO?

We share your personal information with third parties for the collection purposes noted above where it is reasonably necessary for, or directly related to, one or more of our functions or activities.

We do not use or disclose personal information for any purpose that is unrelated to our services and that you would not reasonably expect (except with your consent). We will only use your personal information for the purposes for which it was collected or as consented to.

We usually disclose personal information to third parties who assist us or are involved in the provision of our services and your personal information is disclosed to them only in connection with the services we provide to you or with your consent. We may also disclose it for direct marketing purposes.

These third parties can include our related companies, our agents or contractors, insurers, their agents, regulators such as FMA and others they rely on to provide their services and products (e.g., reinsurers), premium funders, other insurance broker/advisers, insurance reference bureaus, loss adjusters or assessors, medical service providers, credit agencies, lawyers and accountants, prospective purchasers of our business and our alliance and other business partners.

These parties are prohibited from using your personal information except for the specific purpose for which we supply it to them, and we take such steps as are reasonable to ensure that they are aware of the provisions of our Privacy Statement in relation to your personal information.

We also use personal information to develop, identify and offer products and services that may interest you, conduct market or customer satisfaction research. From time to time, we may seek to develop arrangements with other organisations that may be of benefit to you in relation to promotion, administration and use of our respective products and services.

Any personal information provided to us may be transferred to, and stored at, a destination outside New Zealand, including but not limited to Australia, United Kingdom, and the United States of America. If we need to provide your personal information to a country that does



not offer similar privacy protections, we will fully inform you and seek your express consent to do so, prior to sharing your personal information.

MORE INFORMATION, ACCESS, CORRECTION OR COMPLAINTS

For more information about our privacy practices including how we collect, use or disclose information, how to access or seek correction to your information or how to complain in relation to a breach of the New Zealand Information Privacy Principles and how such a complaint will be handled, please refer to our Privacy Statement available at our website <https://donaldsonbrown.co.nz/> or by contacting us (our contact details are below).

YOUR CONSENT TO THE ABOVE, CONTACTING US AND OPTING OUT

By providing us with personal information you and any other person you provide personal information for, consent to this use and these disclosures unless you tell us otherwise. If you wish to withdraw your consent, including for the likes of receiving information on products and offers by us or persons we have an association with, please contact us.

By phone: 09 215 3371

By email: privacy@dbib.co.nz

In writing: PO Box 37068, Parnell, Auckland 1052

