Disclosure Statement – Alex Ritchie

LICENSING INFORMATION

I, Alex Ritchie, FSP1007547, am an Adviser with Professional Investment Services (Manawatu) Limited which holds a licence issued by the Financial Markets Authority to provide financial advice.

CONTACT DETAILS

Alex Ritchie is the Financial Adviser. You can contact me at:

Phone: 06 355 4422 Mobile: 027 378 5720

Email: alexr@pismanawatu.co.nz

Address: PO Box 1255, Palmerston North 4440 or 43 Walding Street, Palmerston North 4410

NATURE AND SCOPE OF ADVICE

I provide advice about:

- Investments
- Retirement Planning
- KiwiSaver

I provide advice in relation to the following products:

- Investment portfolios that include: Direct Shares, Managed Funds, Bonds, Term Deposits
- KiwiSaver

I provide advice in relation to products provided by the following companies:

Investments – NZX Wealth Technologies – Custodial Platform, ANZ Investments, Fisher Funds, AMP, AIA, Milford Asset Management, Pathfinder

KiwiSaver – Fisher Funds, Generate, Booster, Pathfinder, ANZ Investments, InvestNow, Milford Asset Management

In order for you to engage me in any capacity as a financial adviser, we need to agree upon the scope of services that you are engaging me to provide. By doing this, we gain a shared understanding of what areas I will or will not be covering in the personalised financial advice I provide. If the advice service is limited in its scope, this also needs to be documented and I need to make sure that you are aware of the disadvantages resulting from such limited scope or analysis. I am qualified by competence, skill and experience to provide the following financial adviser services to my clients.

Service To Be Provided

The commencement of our financial planning service requires the development of a document that summarises your financial position, considers your objectives and goals, and makes a recommendation on a strategy that is appropriate to meet these goals and objectives. This document is a Financial Plan – the scope of that plan (ie. those things you would like the plan to consider) will take one of the forms described below.

It is important to note that if I am unable to obtain the required information it could prevent me from providing appropriate advice. It is also important for you to communicate any changes in your circumstances or financial objectives to me, as my recommendations may need to change accordingly.

Please note that the cost associated with developing an agreed Financial Plan is detailed below. Should you agree to implement the recommendations in that plan, other advice fees will be charged. These will be detailed in the plan and in the implementation, forms signed at the time of implementation.

We use a closed AI system to record meetings for the purpose of accurate notetaking and documentation.

Comprehensive Financial Plan

This involves a detailed analysis of your financial position including (as agreed) income, assets and liabilities, investment, insurances, and asset protection. The preparation of a comprehensive plan requires an in-depth understanding of your financial situation, financial needs, and goals, and your tolerance for risk. Included in the plan is cashflow modelling depicting a forecast of your accumulation of investment assets and drawdown of investment assets and the relative impact of a range of scenarios. This modelling allows us to determine whether you are likely to have sufficient investment assets to achieve your financial goals over your lifetime. Based on its suitability, your plan will then detail our recommendations.

The Comprehensive Plan is the most thorough form of financial plan and is recommended to all clients.

Cost (Initial Plan Fee)

Signed: (Clients) Signed: (Adviser) Date_____

Investment Plan

This provides a review and consideration of your investments, savings, retirement expectations and expenditure plans, and an investment recommendation based on these factors.

It is very important to note that a plan such as this may not have cashflow modelling completed, nor any other assessment as to the adequacy of your forecast investment assets to meet your financial goals over your investment horizon.

This plan does not consider asset protection, risk, nor mortgages. These are important areas in your overall financial position. I urge you to ensure that you have taken appropriate steps to address these matters.

Any limitations or restrictions to be noted. Date:

Cost (Initial Plan Fee) Signed: (Clients) Signed: (Adviser)

KiwiSaver Only Plan

This covers an appropriate KiwiSaver investment recommendation, consistent with a limited current situation assessment and (if required) risk profiling. The plan may include cashflow modelling limited to forecasting the accumulation of investment funds in your KiwiSaver investments only.

It is very important to note that in a KiwiSaver Only Plan, no assessment is made as to the extent to which your longer-term retirement objectives might be met by KiwiSaver.

This plan does not consider asset protection, risk nor mortgages. These are all important areas in your overall financial position. I urge you to ensure that you have taken appropriate steps to address these matters.

Any limitations or restrictions to be noted. Date:

Cost (Initial Plan Fee) Signed: (Clients) Signed: (Adviser)

No Suitability Plan/ No Documented Plan

I urge all my clients to go through the key steps in the financial planning process with me, including suitability/needs analysis and the documentation of findings and recommendations in a Plan. Clients can however instruct me that they wish to have no suitability analysis completed and /or no Plan completed.

Clients must understand that taking such a step means that no assurances can be provided as to the suitability of any recommendations to the client risk profile, or circumstances, or that it will contribute to the achievement of their financial needs and objectives.

(Note reasoning underpinning such instruction)

I _____(Client Name) instruct _____(Adviser) to NOT complete a suitability analysis/documented Plan on my behalf. Furthermore, I certify that I am providing this instruction freely and while I have been made aware of the advantages of receiving a suitability analysis/documented Plan, I am electing not to do so.

Signed: (Clients) Signed: (Adviser) Date

FEES AND EXPENSES

Planning fee – Professional Investment Services (Manawatu) Limited will charge a fee of between $250 - $1500 + GST depending on the nature and scope of your Statement of Advice/Financial Plan.

Planning fees are payable by the 20th of the month following your adviser providing you your Statement of Advice. An invoice will be provided at this time with payment details.

Your agreed fee for advice is as per pages 2 or 3.

Investment Portfolio Management – When utilising the NZX Wealth Technologies platform, there is an ongoing Management Fee charged by me of between 0.5% - 1.0% + GST per annum, charged monthly. We do not receive any commission or brokerages on investments in this platform. The Portfolio Service charges a fee of 0.07% - 0.20% + GST per annum charged monthly.

Hourly Fee for Advice – Between $150 - $250 per hour + GST.

Confirmation of relevant Fees and Expenses will be detailed in the Statement of Advice / Financial Plan provided to you.

COMMISSIONS OR OTHER INCENTIVES

If you proceed to apply for insurance coverage, and if that policy is accepted and is issued, Professional Investment Services (Manawatu) Ltd will be paid a commission by the relevant insurance company.

This commission will range from 120% - 220% based on the first year's premium. In subsequent years the company will also receive a servicing commission of 0% - 10% of the annual premium as long as the cover remains in force.

There are no other incentives accepted.

When providing advice on company and product selection, we base this on the research and quality of the product and the pricing overall. The levels of commissions paid to the company do not form part of the selection decision.

If you apply to join a KiwiSaver provider, the company may receive a one-off commission and will receive an ongoing service commission. These will range from: Upfront $0 - $40; Ongoing 0.1% - 0.25% per annum.

If we refer you to either Gallagher Insurance or Provincial Insurance for assistance with General Insurance, and if a policy is accepted and is issued, Professional Investment Services (Manawatu) Ltd will be paid a commission by them.

CONFLICTS OF INTEREST

Professional Investment Services (Manawatu) Limited has an agreement for services for investment clients with NZX Wealth Technologies which is a custodial service owned by NZX Limited. I use Morningstar Research to assist us with portfolio creation and also utilise research from Jarden and Trustnet. I have no contracts or incentives to place clients fund with any investment offering. I do not receive commission on the placement of any investments on the custodial platform.

I also have Retail Investment options but again there is no incentive to select a particular provider, although I do receive an ongoing adviser commission based on the value of the investments. These clients are not charged any ongoing management fee for advice.

Our KiwiSaver investment options do have varying commission levels and I manage this resulting conflict by using Morningstar KiwiSaver research to assist us in recommending an appropriate provider. These clients are not charged any ongoing management fee for advice.

For all personal insurance, Professional Investment Services (Manawatu) Limited will receive commissions from the insurance companies whose policies I can recommend. If you decide to take out insurance that I recommend, the insurer will pay a commission to Professional Investment Services (Manawatu) Limited. The amount of the commission is based on the amount of premium associated with your cover; specific commissions will be advised to you when advice is provided.

From time to time, product providers may give us small gifts of nominal value.

To ensure that our financial advisers prioritise the client's interests above their own and to manage the potential conflicts of interest as disclosed above, all Professional Investment Services (Manawatu) Limited advisers follow an advice process, that quotes most companies available in NZ and overlays research on the quality of the product offering, and ensures personalised recommendations are made on the basis of the client's goals and circumstances, as advised by the client. Professional Investment Services (Manawatu) Limited financial advisers complete regular training, including how to manage conflicts of interest.

RELIABILITY HISTORY

I have never been publicly disciplined, been adjudged bankrupt or insolvent, or had any criminal convictions or civil proceedings against me.

PRIVACY AND INDIRECT COLLECTION

Professional Investment Services (Manawatu) Limited collects and holds personal information so that we can provide expert financial advice and services, including financial planning, investment management, retirement planning, KiwiSaver, and personal risk insurance; manage our relationship with you; administer our business operations; and meet our legal, regulatory, and professional obligations.

Sometimes we collect personal information about you from someone other than you. This can happen, for example, when information is provided by insurers, banks, previous advisers, referrers, accounting firms, government agencies, or other third parties involved in the work.

Our Indirect Collection Source Schedule explains:

- common third parties we may collect from
- what information we may collect from them
- why we collect it
- who it may be shared with
- how to contact us, and your access and correction rights.

The current schedule is available on request from admin@pismanawatu.co.nz.

By signing or accepting this document, you confirm that you have been directed to the schedule and have had the opportunity to review it.

If you want access to your personal information, or you believe any of it is wrong, incomplete, or misleading, contact your Financial Adviser.

DUTIES INFORMATION

Professional Investment Services (Manawatu) Limited, and anyone who gives financial advice on our behalf, has duties under the Financial Markets Conduct Act 2013 relating to the way that I give advice. I am required to:

- give priority to your interests by taking all reasonable steps to make sure our advice isn't materially influenced by our own interests (431K)
- exercise care, diligence, and skill in providing you with advice (431L)
- meet standards of competence, knowledge and skill set by the Code of Professional Conduct for Financial Advice Services (these are designed to make sure that I have the expertise needed to provide you with advice) (431M)
- meet standards of ethical behaviour, conduct and client care set by the Code of Professional Conduct for Financial Advice Services (these are designed to make sure I treat you as I should and give you suitable advice). (431M)

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

Client Names: _____

Signed: _____ Date: _____

(Client)

Signed: _____ Date: _____

(Client)

Signed: _____ Date: _____

(Adviser)