

Identifying Information

Name : DUX Financial Services Limited
Phone : 0800 000 987
Email : admin@duxfinancial.co.nz
Physical Address : Level 2, 85 Ghuznee Street, Te Aro, Wellington
Postal Address : PO Box 13511, Johnsonville, Wellington 6440
FSP Number: 670191

License Status and Conditions

DUX Financial Services Limited (FSP 670191) holds a Class 2 Financial Advice Provider License issued by The Financial Markets Authority to provide Financial Advice.

DUX Financial Planning Limited (FSP 731551) and Affinity NZ Limited (FSP 731671) are Authorised by that License to provide Financial Advice.

Nature and Scope of the Financial Advice Given

Our Financial Advisers provide financial advice in relation to the following:

- Mortgages
- Personal Insurance
- Personal Fire and General Insurance
- Financial Planning
- Investment Strategies (Strategic asset allocation and investing)
- Debt management (including borrowing for personal and investment purposes)
- KiwiSaver investment strategies and retirement planning

Products and Areas, we can provide Financial Advice About

- KiwiSaver investments
- Managed Funds
- Personal and Group Insurance (life cover, disability, income protection, mortgage protection, trauma and medical).
- Life investment products including whole of life, endowment, and bonds.
- Business Risk Insurance (Life, Key person, loss of revenue and other)
- Loans including mortgages, reverse mortgages, and personal loans.
- Personal Fire and General Insurance including, house car, contents, landlords.
- Personal Financial Planning, including savings, retirement, debt management, budgeting, homebuying, investment planning.
- Financial Coaching including homebuyer's assistance, property investment vetting, EAP Advice, and individual advice needs.

Reliability History

Disciplinary history you should be aware of: None. Nada. Zero. Zip. Zilch.

There have been no professional indemnity insurance or negligence claims, disputes resolution actions, or disciplinary actions. Ever.

Our Primary* Product Providers we might Recommend

**Primary = providers we actively work with most of the time*

Mortgages – ANZ, ASB, BNZ, Westpac, Co-op, Heartland, SBS, TSB, Resimac, Liberty, Bluestone, and Avanti.
Risk Insurance – AIA, AMP, Fidelity, Partners Life, Asteron, Southern Cross, Cigna, Pinnacle Life, NIB, and Accuro.

Fire and General Insurance – AON, and Tower

KiwiSaver – Booster, ANZ, AMP, Fisher Funds, Generate, and Superlife.

Managed Funds – Booster, Consilium/Synergy, ANZ, Superlife/Smartshares, NZFunds, Fisher Funds, AMP

We also work with a number of smaller specialist providers in many of the above areas. Where they are relevant to a client's needs, we will advise at the time.

Fees, expenses, and other amounts payable for our Financial Advice

The following section outlines the types of fees that may apply

The fees charged for our advice and services may be based on a combination of:

A set dollar amount, an hourly rate, a percentage-based fee, or commission in lieu of fee.

Our agreed advice and service fees may include charges for: Initial advice, ongoing or annual advice and services, product placement fee, non-completion fee. Specific fees are determined and agreed in the scope of service before work is commenced or payable.

All DUX advice work attracts a fee, sometimes this is paid by the client and/or taken as commission in lieu of a fee. Should the commission be clawed back, the fee for work is reinstated and invoiced to the client. This will be confirmed in the scope of service.

The actual fee charged to you will depend on the nature and scope of the advice or service we provide. We will discuss and agree the actual fees with you before we proceed and explain how they are payable.

Conflict of Interest and Incentives

DUX Financial Services and our financial advisers receive commissions from the providers on whose products we give financial advice (the insurers, banks, and KiwiSaver providers).

If you decide to take out insurance or a mortgage, or to take our KiwiSaver advice, the provider will pay a commission to DUX Financial Services and to your financial adviser. The amount of commission is based on the amount of the premium or mortgage, or the KiwiSaver balance. From time to time, product providers may also reward us for the overall business we provide to them. They may give us tickets to sports events, hampers, or other incentives. 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 based on the client's goals and circumstances.

Our philosophy at DUX Financial is to give sustainable financial advice that benefits clients in the long term. This in turn results in happy clients who refer their friends and family to us, which has allowed us to grow our business over many years. This philosophy flows through into how we recruit and train all our financial advisers. If an individual adviser gives financial advice focused only to short term gains for the adviser and nothing for the client, they will not work at DUX Financial.

All our financial advisers undergo annual training about how to manage conflicts of interest. We maintain registers of conflicts of interests, and the gifts and incentives we receive. DUX Financial Services monitors these registers and provides additional training where necessary. DUX Financial Services performs an annual review of our compliance programme.

DUX undergoes a quarterly review of product providers to maintain their suitability for our clients.

DUX undergoes a quarterly review of product providers to maintain their suitability for our clients.

Conflicted Remuneration Note:

- All fees and commissions are paid to DUX Financial Services and or the adviser
- DUX Financial Services and the adviser uses all gross revenue to pay the operating expenses of running a compliant professional business
- DUX Financial Services then pays its' tax obligations on the "net profit" after costs
- What is left, if any, is available to the adviser as personal remuneration – who then pays Tax on that.
- Typically, the potential conflicted remuneration for the Financial Adviser amounts to between 35-50% of gross revenue in any given year. What a client pays is not the same as what the Financial Adviser earns

Commission Rates

For services in relation to *insurance, investments and loan products*, commissions may be paid by the product provider as follows:

Initial commission - a percentage of the value of your investment contributions, loan balance or insurance premiums:

- Mortgages – from 0.55% to 0.85% of loan amount
- Personal and Business Risk Insurance – from 80% to 210% of first year's premium
- Investments – Generally 0%, some providers may pay a small dollar commission
- KiwiSaver – 0%, some pay from \$30 to \$400.00
- Personal Fire and General – 0%
- Commercial Fire and General (referred) – up to 20% of the commission paid to the broker

Ongoing servicing commission - a percentage of the value of your investment balance, outstanding loan amount or premiums, usually calculated at the end of each month in which you hold the investment or loan, or on renewal of insurance products.

- Mortgages – 0% to .30% per annum of loan amount - or refix fees of \$0 to \$150 per refix
- Personal and Business Risk Insurance - from 6% to 20%
- Fire and General - 15% of the Insurance Companies premium (not GST, EQC or FSL)
- KiwiSaver – 0% to 0.50% per annum of fund balance
- Managed Funds – 0% - 1% per annum of fund balance

Complaints Handling and Dispute Resolution

We intend for all our clients to have an enjoyable and productive experience with us.

If there is something you are not satisfied about when dealing with your Financial Adviser and DUX Financial:

In the 1st instance, please communicate this to your Financial Adviser so that they can help resolve this if possible.

If you are not satisfied with that outcome, you can make a complaint by emailing complaints@duxfinancial.co.nz, or by calling us on 0800 000 987. You can also write to us at:

DUX Financial – Attn: Practice Manager
 PO BOX 13 511
 Johnsonville 6440

When we receive a complaint, we will follow our internal complaints process:

- We will consider your complaint and let you know how we intend to resolve it. We may need to contact you to get further information about your complaint.
- We aim to resolve complaints within 10 working days of receiving them. If we require more time to meet that timeframe, we will call you and will aim to provide you with a realistic timeframe
- We will contact you by phone or email to let you know whether we can resolve your complaint, and how we propose to do so

If we cannot resolve your complaint, or you are not satisfied with the way we propose to do so, you can contact our external dispute resolutions scheme Financial Disputes Resolution Service (FDRS).

FDRS provides a free, independent dispute resolutions service that may help investigate or resolve your complaint if we have not been able to resolve your complaint to your satisfaction.

You can view their website, contact them via email, phone, or write to them at:

enquiries@fdrs.org.nz

Website: www.fdrs.org.nz

Ph – 0508 337 337

Freepost 231075

PO BOX 2272

Wellington

6140