

Initial Disclosure Statement - Financial Advice Services

The
Lending
Department

Financial Adviser Financial Advice Provider: Karl Plank (FSP 1007409)

I am providing financial advice on behalf of The Lending Department Limited (FSP 166964)



Contact Details

Phone: 027 266 4925

Email: karl@theld.co.nz

Physical Address: Level 3,50 Anzac Ave, Auckland, 1010, New Zealand

Website: thelendingdepartment.co.nz

Please read the information set out below carefully. It contains important information about me and The Lending Department Limited and it will help you to decide whether I am the right financial adviser for you.

I offer the following financial adviser services:

- **Mortgage lending advice:** Financial advice in relation to commercial lending and residential lending secured against owner occupied and investment properties offered by bank and non-bank lenders.
- **Asset lending advice:** Financial advice in relation to lending secured against an asset other than real estate (e.g. a car, boat etc) offered by bank and non-bank lenders.
- **Business/commercial lending advice:** Financial advice in relation to unsecured business lending offered by bank and non-bank lenders.

I only provide financial advice in relation to products offered by bank and non-bank lenders that The Lending Department Limited (The Lending Department) has established terms of business with. These arrangements do not give rise to any contractual requirement or obligation to place any level of business with these lenders. Instead, they reflect a mutual understanding that I or The Lending Department may place business with these lenders. The bank lenders that The Lending Department has established terms of business with are AIA, ANZ, ASB, BNZ, Heartland Bank, Kiwibank, SBS Bank, The Co-Operative Bank, TSB, and Westpac Bank. I can provide details of the non-bank lenders that The Lending Department has established terms of business with upon request

Neither The Lending Department nor I have been subject to a "reliability event". A reliability event is an event that might materially influence you in deciding whether to obtain financial advice from me or The Lending Department. It includes, for example, bankruptcy, insolvency convictions or being publicly disciplined.

Set out below is important information on the commission and fees that The Lending Department will earn in connection with the advice that I provide to you. I will set out in writing the specific commission and fees that The Lending Department will receive prior to settlement.

Bank Lending

Mortgage Lending The Lending Department receives a commission of up to 0.85% of the loan amount. This commission is paid by the bank directly to The Lending Department on the settlement

Rate Refix The Lending Department receives a fee of up to \$150 from some banks if I assist you with refixing your interest rate. This fee is paid by the bank to The Lending Department on the date that the refixed interest rate takes effect

Short Term Lending Where your lending is intended for a short term only, The Lending Department may charge you a fee for providing advice to you. This fee will be based on the estimated number of hours to provide the advice at an hourly rate of \$250 (plus GST) per hour. The reason for the fee in these circumstances is because where you repay your loan shortly after settlement, The Lending Department will be required to repay some, or all, of the commission that it receives from the bank. Unless otherwise agreed with you in writing in advance, The Lending Department will not charge you this fee. Where I agree with you that this fee is payable, I will issue you an invoice which will be payable upon the settlement date of the loan

Trail In some cases, The Lending Department will receive an ongoing commission of between 0.1% pa - 1% pa of your remaining loan balance from the bank for each year that your loan remains with that bank. This commission is paid by the bank to The Lending Department monthly.

Business/Commercial Lending The Lending Department may charge you a fee of up to 1.00% of the loan amount for advice provided in connection with unsecured business or commercial lending from a bank. Unless otherwise agreed with you in writing in advance, we will not charge you this fee. Where I agree with you that this fee is payable, I will issue you an invoice which will be payable upon the settlement date of the loan.

Asset Lending The Lending Department may receive a commission of up to 3% of the loan amount for asset lending from a bank. This commission is paid by the bank to The Lending Department on the settlement date of the loan.

Non-Bank Lending

Mortgage Lending The Lending Department may charge you a fee of up to 1.00% of the loan amount for a residential or commercial loan through a non-bank lender. This fee is usually added to the loan amount and paid to The Lending Department by the non-bank lender on the settlement date of the loan.

Business/ Commercial Lending The Lending Department may charge you a fee of up to 1.00% of the loan amount for advice provided in connection with unsecured business or commercial lending from a non-bank lender. This fee is usually added to the loan amount and paid to The Lending Department by the non-bank lender on the settlement date of the loan.

Asset Lending The Lending Department may receive a commission of up to 3% of the loan amount for asset lending from a bank. This commission is paid by the bank to The Lending Department on the settlement date of the loan.

Conflicts of Interest Neither The Lending Department nor I have any conflicts of interest that exist or that are likely to arise which would influence the advice that I provide to you. If this changes, I will contact you and advise you of the nature and scope of any actual or potential conflicts of interest. **Commissions and incentives** The Lending Department receives commission and fees from the lenders that I place business with. The commission and fees that the Lending Department receives, are set out above under "How we get paid for the services that we provide". At the time of providing advice to you, I will set out the specific commission and fees that the Lending Department will receive in connection with the advice.

Management of conflicts of interest

The Lending Department, and I, take the following steps to manage actual, potential, or perceived conflicts of interest (referred to as "conflicts of interest"):

- Advisers are not incentivised to promote one lender over another.
 - I follow an advice process that ensures that my recommendations are made on the basis of each client's circumstances, goals, and risk appetite.
 - The Lending Department has a Conflicts of Interest Policy which sets out how to identify conflicts of interest and how to ensure that these conflicts of interest are appropriately managed so that client interests are prioritised at all times.
 - All persons within The Lending Department, including financial advisers, are required to receive training on the identification and management of conflicts of interest.
 - I complete a register of conflicts of interest and the gifts and incentives I receive. The Lending Department monitors these registers.
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If you have a problem, concern, or complaint about any part of my service, please tell me so I can try to fix the problem. You may contact our internal disputes service by emailing complaints@theld.co.nz.

We will be in contact with you within 48 hours of receiving your complaint to either propose a solution to your complaint or provide you with a summary of next steps. If we aren't able to resolve your complaint immediately, we will investigate and resolve your complaint in accordance with our internal complaints process.

If we cannot agree on how to resolve the issue, you can escalate your complaint to Financial Services Complaints Limited (FSCL). FSCL is an independent dispute resolution scheme. This service is free of charge and will help us resolve any disagreements. More information about FSCL and their dispute resolution process can be found at <http://www.fscl.org.nz/>. You can contact FSCL by emailing info@fscl.org.nz, calling FSCL on 0800347257 (freephone) or 044723725. You can also write to them at PO Box 5967, Lambton Quay, Wellington 6145.

I, Karl Plank, declare that, to the best of my knowledge and belief, the information contained in this disclosure statement is true and complete and complies with the disclosure requirements in the Financial Markets Conduct Act 2013 and the Financial Markets Conduct Regulations 2014.

Signed: _____



Declaration Form

Financial Advice Provider: The Lending Department Ltd
Address: Level 3, Customs House, 50 Anzac Ave, Auckland City 0101
Financial Adviser: Karl Plank
Lender: means a lender (including their associated parties)
Insurer: means an insurance product provider (including their associated parties)

Please complete and review this Declaration Form carefully. By Signing this Declaration Form you are acknowledging that you understand and agree to each of the statements set out in Sections A - I below.

Section A: Authority to act

I/we give the Financial Advice Provider express authority to act on my/our behalf with all Lenders and Insurers in respect of:

- obtaining a loan
- insurance products associated with my/our Loan Application.

Section B: Commission Arrangements

I/we understand that neither the Financial Adviser or the Financial Advice Provider charge me for these services, unless specifically agreed in writing in advance, but may receive a commission from the Lender providing the loan.

Section C: Relationship of Financial Advice Provider

- I/we understand that: the Financial Adviser is a director, employee and/or contractor of the Financial Advice Provider and acts on behalf of the Financial Advice Provider.
- the Financial Adviser and the Financial Advice Provider are members of NZ Financial Services Group Limited. NZ Financial Services Group Limited provides services which can include a client management system, facilitating payment of commission, training, and access to the Lenders and/or Insurers.
- the Financial Adviser and the Financial Advice Provider are not employees, agents, partners or joint venture partners of the Lender(s)/Insurer(s) or NZ Financial Services Group Limited.
- the Financial Adviser and the Financial Advice Provider do not act on behalf of the Lender(s)/Insurer(s) or NZ Financial Services Group Limited.

Section D: Privacy

D.1 Privacy Authorisation

- I/we authorise my/our personal information (client information) to be collected and used by the Financial Adviser and the Financial Advice Provider, and disclosed to third parties in accordance with the Financial Advice Provider's privacy policy (available on the Financial Advice Provider's website or provided with this Declaration Form).
- I/we authorise my/our client information to be shared with the Lender(s)/Insurer(s) and collected and used by them in accordance with their privacy policies available on the Lender(s)/Insurer(s)' website(s).

D.2 Privacy Summary - The key terms of the Financial Advice Provider's privacy policy are summarised below:

Collection The Financial Advice Provider may collect client information from a number of third parties. These include credit reporting agencies and, with your authorisation, employers and banks (e.g. through the use of illion Bank Statements).

Purpose The Financial Advice Provider will collect and hold client information for the purpose of recommending mortgage and/or insurance products to me/us.

Disclosure Client information may be disclosed to third parties. These include the following:

- the Lender(s)/Insurer(s)
- NZ Financial Services Group Limited
- credit reporting agencies
- the Financial Markets Authority and other regulators organisations involved in auditing the Financial Advice Provider.

Further use and Disclosure The third parties referred to above may also use and disclose client information. For example, the Lender(s)/Insurer(s) will use client information in accordance with their own privacy policy. In the case of a Lender, this includes using and sharing the information for the purpose of assessing the application and administering the loan – e.g. including a previous or current employer; the Lender's credit reporting agency; authorities to assist in fighting fraud; money laundering or other criminal offences; and guarantors. If the Financial Advice Provider has an ongoing commission arrangement in place with the Lender over the term of the loan, the Lender will periodically disclose the loan balance to the Financial Advice Provider and NZ Financial Services Group Limited.

Credit Reporting Agencies The client information (including information about default and repayment history) may be exchanged with credit reporting agencies. This information will be used by and held on the systems of those agencies to provide their credit reporting services and may be disclosed to the Financial Advice Provider, the Lender(s)/Insurer(s) and other customers of the credit reporting agencies.

Marketing The Financial Advice Provider or Lender(s)/Insurer(s) might use client information for market research purposes and for direct marketing purposes (whether through mail, email or telephone (including SMS/MMS) or other electronic means) to notify me/us of products or services that may be of interest to me/us. You have the right to opt-out of electronic direct marketing.

Consequences I/we are not required by law to provide any personal information to the Financial Advice Provider, but any failure to do so might prejudice my/our chances of obtaining finance or insurance.

Rights I/we have the right to request access to and correction of my/our personal information held by the Financial Advice Provider and Lender(s)/Insurer(s).

Obligations If I/we provide any personal information about anyone else to the Financial Advice Provider or to a Lender/Insurer (or authorise the Financial Advice Provider or Lender/Insurer to collect that information), I/we confirm that such persons consent to and authorise the collection and use of their personal information in accordance with the Financial Advice Provider's and the Lender/Insurer's respective privacy policies. I/we confirm that I/we have advised such persons of their rights to access and request correction of their personal information.

Section E: Legal and Valuation Costs

I/we confirm that (Please tick if applicable)

I am/we are to meet legal and valuation costs in relation to obtaining a home loan.

Section F: GST Matters

I/we confirm that: (Please tick the applicable box)

I am/we are not registered for GST and will not be with respect to the security property.

I am/we are or will be registered for GST, but the security property is not/will not be used for the purpose of a taxable activity.

I am/we are or will be registered for GST and the security property is/will be used for the purposes of a taxable activity.

Section G: Specialist Insurance Provider

- I/we acknowledge that: as part of the intended financing transaction I/we should review my/our personal risk insurance requirement(s).
- I/we have been offered the option to review my/our personal risk insurance requirement(s) by a specialist insurance adviser and have decided to: (Please tick the applicable box)
 - have the review completed by an appointed insurance adviser
 - decline the option to review my/our personal risk insurance requirements and exempt the Financial Advice Provider, the Financial Adviser and insurance advisers from any liability or loss caused as a result of this decline.
- the signing of this Declaration Form in no way implies an application for such a review has been made to the Financial Advice Provider.

Section H: Loan Repayment

- I/we understand that: should my/our circumstances change before the loan is repaid, I am/we are responsible for continuing to make loan repayments (subject to applicable laws).
- in the event of my/our death, it will be my/our estate's responsibility to make the loan repayments and/or to pay off any loan balance.

Section I: Loan Application Form

I/we confirm that:

- I/we have received a copy of my/our Loan Application Form or will receive a copy;
- the information included in the Loan Application Form, including my/our Asset & Liability Statement, is true and correct; and
- I/we have received a copy of, and have read and understood, the Financial Adviser's disclosure statement.

Signed.....

Signed.....

Name.....

Name.....

Date.....

Date.....