



## What you need to know about us:

### Introduction

Chris MacKay Financial Planning Limited (FSP9821, trading as MacKay Financial Advice and Solutions) holds a licence issued by the Financial Markets Authority to provide financial advice services.

### Contact Information

Contact details:

Chris MacKay Financial Planning Limited (FSP9821, trading as MacKay Financial Advice and Solutions) is the Financial Advice Provider (FAP).

You can contact us at: Phone: 04 570 2233 or 0800 MACKAY (0800 622 529)

Email: [office@mackay.co.nz](mailto:office@mackay.co.nz)

Address: MacKay House, Level 5, 92 Queens Drive, Lower Hutt, New Zealand

### Nature and Scope of the Advice

Chris MacKay Financial Planning (CMFP) and their advisers provide advice to clients about their KiwiSavers, Investments, Mortgages, Life insurance, Health insurance, Retirement Planning and Wealth Management.

We only provide financial advice about products from certain providers. These are as follows:

<b>KiwiSaver Providers</b>	<b>Life, Trauma, TPD &amp; Income Protection Providers</b>
AMP Wealth Management	AIA (who have taken over Sovereign)
ANZ Investments/ OneAnswer	AMP Life (now owned by Resolution Life)
Booster	Asteron Life
Fisher Funds	Cigna Life (who have taken over OnePath)
Generate	DPL Insurance
NZ Funds Management	Fidelity Life
Summer	Partners Life

<b>Fund Managers/ Platforms</b>	<b>Medical/ Health Insurance Providers</b>
AMP Wealth Management	AIA (who have taken over Sovereign)

<b>Fund Managers/ Platforms (continued)</b>	<b>Medical/ Health Insurance Providers (continued)</b>
ANZ Investments/ OneAnswer	Accuro Health Insurance
Booster	nib
Lifetime Asset Management	Partners Life
Select Wealth Management	Southern Cross
Synergy Investments	

<b>Mortgage/ Lending Providers</b>	
ANZ	BNZ
ASB	Westpac
Co-operative Bank	Avanti Finance
Heartland Bank	SBS Bank
Bluestone	Pepper Money
Sovereign Mortgages	ASAP Finance
DBR Finance	Liberty Finance

## How we operate

To ensure that our financial advisers prioritise our client's interests above their own, we follow an internationally recognised professional advice process to ensure our recommendations are made on the basis of our client's goals and circumstances.



## Our Financial Advisers

- Chris MacKay  
Retirement Planning•KiwiSaver•Investments•Wealth Management•Insurance
- Blair Bennett  
Mortgages•Retirement Planning•KiwiSaver•Investments•Wealth Management•Insurance
- Chris Cornford  
Retirement Planning•KiwiSaver•Investments•Wealth Management•Insurance
- George MacKay  
KiwiSaver•Insurance

<https://www.mackay.co.nz/meet-the-team/>

## Fees or Expenses

The nature and total amount of any fees that you will be charged for advice and/or services and when and how they must be paid, will be disclosed to our prospective clients by the relevant Financial Adviser.

Chris MacKay Financial Planning (CMFP) may be remunerated for the implementation and retention of some financial (usually insurance or mortgage) products by the product provider. This means that in many cases an upfront planning or advice fee is not required. Ongoing adviser fees for investment products and KiwiSaver plans are most often paid via the product provider.

### **Planning and Advice Fees:**

We may charge a fee for preparing Personal or Business Insurance Plans or Investment or Retirement Plans, to a maximum of \$4,000 plus GST.

We will agree the amount or basis of the calculation of any fee payable upfront and confirm the amount in our Scope of Engagement.

We ask that you pay, or reimburse us for all charges, fees, in relation to services provided, as otherwise advised in the relevant invoice payable within 14 days.

Where we have not charged a Planning or Advice Fee upfront and you have applied for a financial product and subsequently not accepted the product offered, assuming the terms are reasonable, or if you fail to complete the application process through no fault of the product provider or CMFP or if you cancel the financial product within 24 months of its start date, we reserve the right to charge a Planning Fee of between \$150 and \$350 per hour plus GST depending on which adviser you are using (based on our time relating to the advice and implementation process for that product) to a maximum of \$4,000 plus GST.

In the case of an insurance product where we have to refund some or all of any commission received, any fee you pay will be the amount that is clawed back. In the case of a mortgage product arranged through us, where a client moves their mortgage or pays off all or some of the loan within 36 months, most lenders claw back a proportion of the commission that is initially paid to the advisory company, CMFP reserves the right to charge the amount of the clawback to the customer, and this is to be paid within 14 days.

A “clawback” is where a payment received from product providers for business placed, is reversed due to the policy being cancelled within a two or three year period.

### **Consultancy Fees:**

Where one of our Financial Advisers is working on a consultancy basis, (generally when there will be no financial product purchased as a solution, or if any fees payable from a financial product are so low as not able to recompense CMFP for its adviser’s time) an hourly rate of between \$150 and \$350 plus GST will be charged.

A minimum of four hours (or a maximum of \$1,500 plus GST) should be allowed under the consultancy arrangement, to cover any meeting/s, setting up client files, resulting documentation and /or report writing and/or file notes.

The hourly rate for senior administration staff is \$200 plus GST per hour and \$150 plus GST per hour for general administration staff.

We will confirm the amount or basis of calculation of any fee payable upfront and confirm the amount in our Scope of Engagement if our Consultancy Fees will be more than \$1,500 plus GST.

Chris MacKay Financial Planning is part of a Dealer Group, Plus 4 Insurance Solutions (Plus 4). Remuneration can flow to the business from product providers via the Dealer Group. This is based on production of the group as a whole and Chris MacKay Financial Planning. The business can also receive other services or benefits (related to being a Financial Advice Provider) from Plus 4.

### **Commission for Insurance Products**

Typically, for Insurance work, we are remunerated by way of commissions received directly from product providers (example below).

As we get to know you and what is important to you, we will provide more specific information in relation to any remuneration we receive as a result of any advice we provide. In line with the spirit of professional disclosure below are some guidelines.

Type	Typical Range
Upfront commission (upon implementation)	50-230% first year's premium
Ongoing commission	10-50% subsequent years' premium
Dealer group arrangements' commission	0-30% first year's premium

**Example:** Should you place insurances from our recommendations with an annualised premium of \$1,000 p.a. we would be remunerated in the range of \$500 - \$2,300 in the first year and \$200-\$500 in subsequent years for providing our professional services.

Aggregator group: Chris MacKay Financial Planning Ltd is part of Plus 4. Remuneration can flow to the business from product providers via the dealer group. This is based on production of the group as a whole and Chris MacKay Financial Planning Ltd. The business can also receive other services or benefits from the dealer group.

### **Commission for Mortgages**

Typically, mortgage lenders pay us commission of between 0.60% and 0.85% of the mortgage arranged and a trail commission after 12 months of 0.00% pa- to 0.20% pa of the reduced principal owing.

**Example:** Should we assist you in arranging a mortgage of say \$500,000, we would be remunerated in the range of \$3,000 - \$4,250 and between \$0 and \$1,000 pa in subsequent years. Our Mortgage specialist would receive a percentage of this commission.

### **Ongoing Adviser Fees or Trail Commission for KiwiSavers or Investment Products**

Typically, KiwiSaver providers or Fund Managers pay us a monthly adviser fee or trail commission (all fully disclosed when products are recommended) of between 0.20% pa and 1.05% pa based on the funds that are invested. Some KiwiSaver providers also pay an upfront fee of up to \$250.

On some retail investment platforms, we reserve the right to charge a 1.00% exit fee on a total funds' withdrawal.

**Example:** If you have a KiwiSaver plan with a fund value of say \$50,000 and where we are also noted as the Financial Advisers, our ongoing adviser fee may be between \$8 and \$21 per month.

## How Our Advisers get paid

**Salaried advisers:** Our advisers are paid a salary with the potential of annual bonuses based on a balanced scorecard for their performance.

**Contractor advisers:** our contractor advisers receive a percentage of the commission that is paid to the FAP.

## Conflicts of Interest

We take any perceived or real conflicts of interest very seriously and have a dedicated policy for dealing with such issues whereby we avoid, disclose and/or manage any conflicts so that our client's interests are placed first and foremost.

Chris MacKay is the sole Director of Chris MacKay Financial Planning Ltd. Chris MacKay or a Trust of which Chris MacKay or George MacKay is a beneficiary, owns shares directly or indirectly in AMP, Booster, Fidelity Life, Retirement Income Group Ltd, ANZ (owner of OneAnswer Ltd), Suncorp (owner of Asteron and Vero), Partners Life ('shadow' shares) and Rothbury Wellington Holdings Ltd.

For Life insurance and Medical/Health insurance, Chris MacKay Financial Planning receive commissions from the insurance companies on whose policies we give advice. If you decide to take out insurance, the insurer will pay a commission to Chris MacKay Financial Planning who may pay a percentage of this to a contractor adviser and maybe to an employee adviser. The amount of the commission is based on the amount of the premium.

For Mortgages, Chris MacKay Financial Planning receive commissions from the banks with whom we arrange mortgages. If you decide to take out the mortgage, the bank will pay a commission to Chris MacKay Financial Planning who will pay a percentage of this to a contractor adviser and maybe to an employee adviser. The amount of the commission is based on the amount of the mortgage.

If we are assisting with an "execution only" share or bond market transaction through Direct Broking/Jarden, they will pay our firm half the brokerage fee that they charge.

If we refer any fire and general insurance business to Rothbury Insurance Brokers, they may pay our firm or individual contractors a percentage of any commission they are paid.

If we assist in selling a Whole of Life or Endowment policy, Policy Exchange (PE) will pay our firm a flat 2% commission of the unenhanced cash value. This does not diminish the extra cash value that you may receive from PE and is not payable if the sale isn't proceeded with.

To ensure that our financial advisers prioritise our client's interests above their own, we follow an advice process that ensures our recommendations are made on the basis of our client's goals and circumstances. 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. We monitor these registers and provide additional training where necessary. We undertake a compliance audit, and a review of our compliance programme annually by a reputable compliance adviser.

From time to time, product providers may also reward us for the overall business we provide them. They may give us tickets for sporting events, hampers, discounted conference attendance including airfares and other giveaways and entertainment.

## Complaints

If you are not satisfied with our financial advice service, you can make a complaint by emailing [office@mackay.co.nz](mailto:office@mackay.co.nz), or by calling: 04 570 2233 or 0800 622 529.

You can also write to us at: PO Box 31-440, Lower Hutt 5040.

When we receive a complaint, we will consider it following 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 20 working days of receiving them. If we can't, we will contact you within that time to let you know that we need more time to consider your complaint.

We will contact you by phone, email or post to let you know whether we can resolve your complaint and how we propose to do so. If we can't resolve your complaint, or you aren't satisfied with the way we propose to do so, you can contact our dispute resolution service, Insurance and Financial Services Ombudsman.

Insurance and Financial Services Ombudsman provides a free, independent dispute resolution service that may help investigate or resolve your complaint, if we haven't been able to resolve your complaint to your satisfaction. You can contact Insurance and Financial Services Ombudsman by emailing [info@ifso.co.nz](mailto:info@ifso.co.nz), or by calling: 0800 888 202. You can also write to them at:

Insurance & Financial Services Ombudsman  
PO Box 10-845  
Wellington 6143  
NEW ZEALAND

## Duties and Conduct Information

Chris MacKay Financial Planning and anyone who gives financial advice on our behalf, has duties under the Financial Markets Conduct Act 2013 relating to the way that we give advice.

We are 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
- exercise care, diligence, and skill in providing you with advice
- 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 we have the expertise needed to provide you with advice)
- 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 we treat you as we should, and give you suitable advice).

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 <https://www.fma.govt.nz>.