

# Disclosure Statement



**BSI Brokers Limited**

Effective 1 March 2023- Version 2

# Disclosure Information

The following information provides an important overview of BSI Brokers Limited, our duties to you, fees, and how we manage complaints.

## Licence Status and Conditions

BSI Brokers Limited (FSP1004697), trading as BSI Brokers/BSI Insurance Brokers/BSI Mortgage Brokers, holds a financial advice provider licence issued by the Financial Markets Authority.

## Nature and Scope of Advice

BSI Brokers Limited provides financial advice on general insurance, life and health insurance, personal risk insurance, and mortgage lending products.

The specific products individual financial advisers can advise you on may vary. Our advisers will disclose the nature and scope of their advice at the time they provide it.

## Fees, expenses, or other amounts payable

BSI Brokers Limited may charge you a fee, and charges, for providing financial advice, and for arranging, altering or cancelling your general insurance policies.

### For General Insurance;

- We may agree with you a separate service fee (plus GST) to be paid by you in lieu of commission or in addition to any commission we may receive from the insurers when we know the nature and scope of the advice you seek. The fee amount will depend on the nature of our advice, the time and care it takes to implement that advice and to maintain a high level of service to you throughout the policy period.
- We may also charge documentation fees for any changes to your general insurance made during the policy period. These documentation fees (plus GST) are to cover our costs and disbursements.
- We'll disclose any fees to you and the payment due date at the earlier of the time we know the nature and scope of the advice you seek, or when we provide our advice to you.
- Insurance Advisernet New Zealand may also charge an administration fee for processing insurance premiums. If a fee will be charged, you will be advised at the time the financial advice is provided.

### For Life and Health Insurance,

Analysing the suitability of the provision of products and/or services to you and providing a financial service to you in the form of a Statement of Advice and all associated documentation is given as a service. There is no cost to you for the entire term of the mutually agreed engagement. It will be paid by the Insurance Company in the form of commission.

## **For Premium Funding,**

Our financial advisers can arrange funding through one of our premium funding companies so you can spread the cost of your annual general insurance premiums over 10 or 12 instalments.

The premium funding details, including the interest rate and administration costs that will apply, will be set out in a separate finance contract and will be disclosed to you at the time the agreement is put in place, as per our premium funding companies' obligations under the Credit Contracts and Consumer Finance Act 2003.

In some circumstances we may recommend another service provider to assist us in providing appropriate financial advice. These providers can include property valuers, property surveyors and motor vehicle valuations. These providers will charge a fee for the work they do. We will advise you of any related fees and charges prior to having them commence any work on your behalf.

## **For Mortgage Lending,**

- Generally, we do not charge fees for mortgage advice, as we receive commissions from product providers upon settlement.
- Exceptions where fees may apply:
  - **No Commission Scenario:** If we do not receive commission, we may charge a pre-agreed service fee.
  - **Commission Clawback:** If a provider requires repayment of commission within 28 months of settlement, we may charge a fee of up to \$3,000 (plus GST) at \$250 (plus GST) per adviser hour. This fee will not exceed the clawed-back commission amount.
  - **Loan Renewal:** No fees are charged for renewing existing loan approvals.

If any fees apply, you will receive an invoice with a 30-day payment term.

## **Conflicts of interest and commissions or other incentives**

### **Insurance**

- BSI Brokers Limited receives commissions from insurers when arranging general, life, or health insurance on your behalf.
- The commission varies as it is a percentage of the insurance premium charged.

### **Mortgage Lending**

- If you proceed with financial advice, we receive commissions upon loan settlement.
- Additional payments may include:
  - Upfront commission (percentage of loan at drawdown)
  - Renewal/trail commission (percentage of outstanding loan balance)
  - Fixed-rate rollover fees (for assisting in loan refixing)
  - Referral fees
  - Incentives (e.g., event tickets, gifts)

We have a duty to prioritise your interests above our own. We manage conflicts of interest by following an advice process to ensure our recommendations are based on your needs and circumstances.

BSI Brokers Limited are paid a commission from the general insurance product provider and risk and health provider, when arranging insurance with them on your behalf. The amount of commission received varies as it is calculated as a percentage of the insurance premium charged.

BSI Brokers Limited and our Financial Advisers may also receive indirect benefits such as business lunches, tickets to sporting and/or cultural events, corporate promotional merchandise and other unquantifiable minor benefits.

We recognise that the above commissions and incentives may create conflicts of interests for BSI Brokers Limited and our financial adviser. To manage these conflicts, our financial advisers follow an advice process that ensures our recommendations are made on the basis of your financial goals and circumstances. Our financial advisers complete annual training to understand and manage conflicts of interest. We maintain a register of conflicts of interest and of any gifts and other incentives we may receive, which are regularly monitored and reviewed as part of our annual compliance programme.

We may, however, choose to rebate all or some commissions and charge you a fee based on the nature of the service we provide.

## **Complaints & Disputes Process**

We're committed to providing clients with the best possible experience and will make every effort to resolve any issues promptly.

If you are not satisfied with the services provided by BSI Brokers Limited or particular broker, please tell us so we can try and fix the problem.

You may contact the internal complaints scheme by contacting our Risk and Compliance Department:

Phone number: 021 067 7312

Email address: [Complaints@bsibrokers.co.nz](mailto:Complaints@bsibrokers.co.nz)

## **Internal Complaints Process**

- We will acknowledge your complaint (usually in writing) and aim to resolve it within 20 days.
- If resolution takes longer, we will provide updates on the delay and expected resolution timeline.
- Potential remedies include explanations, apologies, or liaising with product providers.

If you are unsatisfied with our resolution, you can escalate your complaint to **Financial Services Complaints Limited (FSCL)**, a free and independent dispute resolution service:

You can contact Financial Services Complaints Limited at:

Telephone number: 0800 347 257

Email address: [info@fscl.org.nz](mailto:info@fscl.org.nz)

Address: PO Box 5967, Lambton Quay, Wellington 6145

## Duties

We believe in delivering the most appropriate advice, built upon our four core business pillars, Trust, Advice, Choice and Value.

We are bound by duties under the Financial Markets Conduct Act 2013 (Act), We are required to:

- Meet certain standards of competence, knowledge and skill, as set by the Code of Professional Conduct for Financial Advice Services (Code of Conduct). These have been designed to ensure that we have the relevant expertise to provide you with advice.
- Take reasonable steps to ensure that you understand the nature and scope of the advice we give you and let you know if there are any limitations on the advice we provide. This will help you ensure that the advice provided meets your goals and objectives.
- Give priority to your interest, by taking all reasonable steps to make sure our advice isn't materially influenced by our own interests.
- Exercise a prudent level of care, diligence and skill.
- Meet certain standards of ethical behaviour, conduct and client care as required by the Code of Conduct. These are designed to ensure that we treat you as we should and give you suitable advice.
- Not offer or recommend a financial product that contravenes the Act or related regulations. This gives you peace of mind that the products we recommend are compliant with relevant laws.
- Make certain disclosure information available to you, at certain times, for example when advice is provided. We must not provide false, misleading or incomplete information. You can access the Code of Professional Conduct for Financial Advice Services.

## Contact Details

BSI Brokers Ltd – FSP1004697

Phone: 021 067 7312

Email: [info@bsibrokers.co.nz](mailto:info@bsibrokers.co.nz)