

# Scope of Service



## Premium Advisory Service

Effective 1 January 2018

### Welcome to Forsyth Barr

This document describes our **Premium Advisory Service**. The description is general in nature and is provided to help guide you towards the type of service that best suits your requirements. For a comparison of our range of private client services, see our **Comparison of Investment Services** document.

This service is provided by Forsyth Barr Limited. Investment advice under the service is provided by your Forsyth Barr Investment Adviser, who will be an Authorised Financial Adviser (AFA). You can also discuss this document with your Investment Adviser. Your Investment Adviser's disclosure statement is available free on request.

### What is the Premium Advisory Service?

Under the Premium Advisory Service, your investment portfolio is held in our custodial service and monitored by your Investment Adviser. Under this service, you:

- can buy or sell securities and other investments
- have access to Forsyth Barr and third party research on selected investments
- can use the Forsyth Barr Cash Management service – please see our separate flyer
- get advice on your portfolio, based on agreed investment objectives
- receive quarterly portfolio reporting and year-end tax reporting on your portfolio.

### What kind of investment advice can I get?

We will offer you advice on the composition of your investment portfolio, based on our monitoring of your portfolio and consideration of your investment objectives. You can also ask us for advice on your portfolio at any time. If you have a sum you'd like to invest into (or realise from) your portfolio, you can also ask us for advice on that.

Our advice will generally be in the form of recommendations for transactions in investments such as shares, fixed interest investments, and managed funds for your portfolio.

These recommendations will be based on investment objectives agreed with you. We agree these investment objectives with you based on your overall financial situation and goals. The investment objectives cover things like the overall level of risk you want for your portfolio, your investment timeframe, any anticipated needs for income from (or access to capital in) your portfolio, and any areas of investment you want to avoid. We can also provide you with advice on your investment objectives, as required.

The Forsyth Barr and third party research available to you under this service may also contain security recommendations. However, these are general in nature and do not take account of your specific circumstances in any way.

## Limitations on our advice

The advice that we give you is based on the investment objectives that we agree with you, and would very likely be different if the agreed investment objectives were different. We also only take into account information you have told us or that is available to us through this service.

We will only make recommendations on investments where we have access to information that provides us with a reasonable basis for our advice. We don't advise on other investment opportunities. We also don't advise on tax or estate planning, budgeting or other financial planning, or insurance or legal issues.

## Who makes the investment decisions?

**You do.** Before acting on any advice or recommendations, you should always consider the appropriateness of the advice or recommendations, having regard to your specific circumstances.

## Principal benefits and risks of advice

Financial advisory services provide benefits including professional service, advice, recommendations, opinions and research regarding your investments. We also take care to ensure the suitability of the advice we provide, in light of the nature and scope of this service, when required by the Code of Professional Conduct for Authorised Financial Advisers.

The principal benefit of this service when compared with more limited forms of service is that it is personalised to your particular circumstances, giving you a higher level of confidence the advice we provide is suitable for you.

The main risks associated with advice under this service are that:

- the investment objectives we have agreed with you become out of date, for example because of a change in your overall financial situation or goals
- that we are not aware of information relevant to our advice, for example because you hold an investment outside our service you have not told us about.

Each year we will contact you to for an annual review to re-confirm your investment objectives and our other arrangements with you. However, if your circumstances change it is your responsibility to contact your Investment Adviser so that your investment objectives and our advice on the composition of your investment portfolio can be reviewed and updated as soon as possible.

For more information about the basis on which we provide advice and the principal benefits and risks of investing, see our terms and conditions at [www.forsythbarr.co.nz/terms-and-conditions](http://www.forsythbarr.co.nz/terms-and-conditions).

## What fees do I pay?

You pay a regular portfolio fee, based on the value of your portfolio. Brokerage and other fees apply to any transactions you enter into. For the Forsyth Barr Cash Management service, we also receive a management fee from the custodian for administering the service. Where you invest in a Forsyth Barr managed fund, we will receive a management fee as the manager of that fund. Your Investment Adviser will receive remuneration from Forsyth Barr based on these fees. See your Investment Adviser's disclosure statement for more information about fees.

## How do I open an account?

You can apply to open an account by completing our application form and agreeing to our terms and conditions. Your Investment Adviser can provide you with more information about how to apply.