

## Disclosure Statement – David Mercer

### **Welcome**

This document has been prepared to provide transparency and to promote an open and honest business relationship between us. The information below is current as at the 1<sup>st</sup> October 2009.

### **Business Activity**

My business is arranging and advising on mortgage facilities and life insurance products. I can arrange domestic insurance cover and also promote a specific KiwiSaver Scheme. However I do not provide financial planning or investment advice.

From time to time, issues related to mortgages and insurance are covered (eg legal, accounting or estate planning issues) although those discussions in no way substitute specialist advice from suitably qualified people. I recommend you speak with those specialists in need.

The core focus of my business is to continually act in your best interests by providing relevant lending and life insurance advice and ongoing service. My goal is to become your adviser working in partnership with lenders and insurers to allow you to focus on other things.

### **David's Qualifications, Experience & Contact Details**

I have twenty years of continuous experience in lending, with a corporate background at NAB and BNZ. I have operated as a broker since 1999. I have a degree in Science and Economics from Massey University, specific lending qualifications and participate in ongoing training and professional development as required to maintain membership of the NZMBA.

My contact details are:

Phone 0508 462 489 or 021 633 652

PO Box 11 268 Ellerslie Auckland

Email david@go2guys.co.nz

### **NZMBA**

I am a current member of the New Zealand Mortgage Broker's Association. My activities comply with the Association's code of ethics and standards. Those rules can be downloaded from [www.nzmba.co.nz](http://www.nzmba.co.nz)

### **Allied Kiwi Ltd**

I am a member of the Allied Kiwi Group, made up of approx 250 brokers throughout NZ. They are an important business partner providing admin systems, IT support and group agency agreements with product providers.

### **Your Privacy and Protection**

All discussions and information you share with me are treated in strict confidence and are subject to the Privacy Act 1993. Prior to work commencing you will be asked to sign an Authority to Act & Collect Information (plus a loan application declaration if relevant) – both of which we recommend you read thoroughly.

### **Convictions, Prohibition, Receivership**

As required by law I advise that I have no criminal convictions, prohibitions or any proceedings taken or pending against me. You have access to the NZMBA dispute resolution process if required. I carry \$1M Professional Indemnity insurance for your protection. This policy is held with Vero, one of NZ's largest insurers.

### **Remuneration**

I am typically remunerated by way of commission paid to me via the relevant product provider.

That commission is made up of two parts – an 'upfront' commission paid upon completion of any loan or insurance policy; and 'trail' commission which is paid on an ongoing basis, usually only for insurance policies.

Upfront commission is paid on a pro-rata basis and depends on the loan amount/annual premium. This commission may be clawed back if a minimum qualification period is not met. Trail commission is based on the annual premium

or outstanding loan balance and is generally paid in arrears on a regular basis. I am more than happy to discuss the exact dollar amount earned in each case and the formula for calculating it.

On those rare occasions where work done generates no commission or where a claw-back is likely I reserve the right to charge a fee. Prior to any fee being charged I undertake to discuss the options with you and obtain a written mandate for any such fee prior to any work commencing. There is no fee for an initial consultation. From time to time I may be eligible for non-monetary benefits from various lenders or insurers. These benefits must not influence my recommendations to you.

I am not tied to any product supplier and have broking agreements with a wide range of lending institutions (16), insurance companies (7) and a trustee company. A fee may be paid to other professionals who refer clients to me.

**My process...**

I focus on providing you with both immediate and longer term financial solutions by discussing your needs, lifestyle and goals.

I aim to educate you about:

- Lending and insurance products and services and selecting the best lender or insurer for your needs
- The interest rate market and changes
- The property purchase process
- What to insure and the right levels of cover

My hope is to build a long-term relationship by:

- Providing you with financial advice including regular communication
- Correcting any lender / insurer errors
- Fixed rate mortgage reviews, insurance anniversary reviews
- Future loan and insurance applications

While we do advertise our business is typically generated by word of mouth and repeat custom. Your support and referrals are greatly appreciated. If you think we've done a good job for you, please tell others. If we haven't met your expectations, please tell us!

Please sign below to acknowledge the above has been discussed with you and any questions have been answered to your satisfaction.

Date: \_\_\_\_\_

David Mercer: \_\_\_\_\_

Name: \_\_\_\_\_

Signed: \_\_\_\_\_

Name: \_\_\_\_\_

Signed: \_\_\_\_\_