



## FNZ DISCLOSURE STATEMENT

### (AssetWatch and AssetKeep)

#### Who FNZ is

FNZ Limited (FNZ) is a provider of investment administration services, online investment platforms, and other services to wealth managers in New Zealand and around the world. We provide our services to wealth managers such as your wealth management provider, Jarden Wealth Limited (except where you access a margin lending facility in which case our services are provided to Jarden Finance Limited) (Jarden), on an institutional (wholesale) basis. You do not have a direct contractual relationship with FNZ.

Because FNZ is involved in providing certain services to Jarden - which uses these services in providing wealth management services to you - we need to disclose the following information to you. Please read this disclosure document carefully, and contact Jarden if you have any questions or concerns.

#### What FNZ does

FNZ has been engaged by your service provider, Jarden, to carry out **investment administration** and provide **custody** services with respect to the investment assets you hold with Jarden as a client. These assets may include listed investments, managed funds and other non-cash assets.

**Investment administration** means carrying out your instructions with respect to your investment assets. These instructions will be passed to FNZ via your service provider, Jarden. These may include instructions to purchase, sell, transfer or otherwise dispose of your investment assets. FNZ will carry out these instructions on your behalf, and will also collect dividends and other distributions that are generated by your investments. These will be credited to your account with Jarden. Where agreed with Jarden, FNZ Services (New Zealand) Limited may assist FNZ to provide these services.

**Custody** means holding your investment assets in trust for your benefit. FNZ Custodians Limited is the entity that is the nominal owner of the investment assets you hold with Jarden. This means that these assets will be recorded at Shareholder Registries, at Unit Registries (Fund Manager record keepers), on Bank Accounts and at similar record-keepers in the name of FNZ Custodians Limited.

However, you retain full beneficial ownership of those assets at all times, and may withdraw, transfer out, or sell down these assets at any time subject to the procedure agreed with your service provider, the laws of New Zealand, and any other applicable regulations. You do this by giving instructions to Jarden- which FNZ will then carry out on your behalf.

FNZ Custodians Limited, a related company of FNZ, holds assets belonging to you and other investors on a pooled (aggregated or omnibus) basis. FNZ cannot use or benefit from these assets in any way.

FNZ provides administration and custody services only. We do not provide investment advice, tax advice, valuation services, manufacture financial products or conduct investment research.

#### How FNZ is remunerated

FNZ is paid a fee for the services described above directly from your service provider, Jarden.

This disclosure covers fees payable to FNZ only. They represent a component of the total fee that your service provider charges you for wealth management services - but may not be the total fee that you will pay Jarden.

For more information on the total fees you need to pay, please contact Jarden.



## How FNZ manages cash

FNZ is a client money or property service provider for the purposes of the Financial Markets Conduct Act 2013, and accordingly is disclosing the following information regarding FNZ's procedures relating to the receipt and disbursement of money.

For AssetKeep FNZ has not been engaged by Jarden to provide custodial services in relation to any cash assets you may hold. However, any incoming cash income you receive on any investment assets you hold will be initially deposited into the FNZ Custodians Limited Client Funds Account which is then paid on the following day by FNZ into a Jarden Client Funds account. Refer to Jarden for further information on the operation of that account.

For AssetWatch, payments to your Jarden Cash Management Account will be held on trust for you and are deposited into a Jarden Client Funds Account, a trust bank account held by Jarden which FNZ Custodians Limited is authorised to operate. FNZ will not use the money for the benefit of itself or any other person other than as disclosed in this disclosure statement. Funds are held in that trust account are not held together with any of FNZ's own funds although Jarden operates a deposit of its own funds ("buffer") within that account - refer to Jarden for further information.

You can make payments into your Jarden Cash Management Account by direct credit or direct debit into the Jarden Client Funds Account. The direction, withdrawal and placement of those funds is within your control, the underlying owner, or your adviser (as the authorised person appointed by you) and will be contained in the Client Agreement with Jarden which sets out the fees and costs which will be debited from your account.

Any incoming cash income you receive on any investment assets you hold, but excluding cash assets, will be initially deposited into the FNZ Custodians Limited Client Funds Account which is then paid on the same day by FNZ into the Jarden Client Funds Account.

In respect of the FNZ Custodians Limited Client Funds Account, funds are held in that trust account on bare trust for end investors. FNZ must keep its own funds separate, except that FNZ may deposit some of its own funds (a "buffer") into the FNZ Custodians Limited Client Funds Account to the extent reasonably necessary to rectify, or reduce the risk of, a shortfall arising in an investor's funds in the FNZ Custodians Limited Client Funds Account. By law, any FNZ funds held in the FNZ Custodians Limited Client Funds Account must be treated as client money for all purposes. FNZ's view is that the use of a buffer has benefits to facilitate custodial and administration operations and in the event of FNZ becoming insolvent, the risks to investors existing or likely to arise from FNZ holding a buffer in the FNZ Custodians Limited Client Funds Account are remote given the legal protections that apply to those funds.

As outlined above, and in accordance with its obligations as bare trustee, money in the F FNZ Custodians Limited Client Funds Account held on your behalf, will constitute debt securities held by FNZ Custodians Limited as the nominal owner in a bank account with ANZ Bank New Zealand Limited.

Money in the FNZ Custodians Limited Client Funds Account is not an offer of securities by ANZ Bank New Zealand Limited.

None of ANZ Bank New Zealand Limited, any affiliate of ANZ Bank New Zealand Limited, or any of their directors, officers, employees, agents, or permitted assigns makes any representation or warranty, express or implied, to any person, including, but not limited to you as to whether a potential investment in any account held with ANZ Bank New Zealand Limited is suitable for them.

For AssetWatch you may withdraw money from your Jarden Cash Management Account at any time using the procedure agreed with Jarden.

To the extent permitted by law the non-mandatory trustees' duties and obligations in the Trusts Act 2019 are excluded and do not apply to custody services provided by FNZ.

## How you can access your records

FNZ keeps records of investments held on your behalf and, for AssetWatch, your Jarden Cash Management Account. You can check these records at any time by contacting Jarden. Your service provider will give you a copy of these records.

FNZ is not a valuer and any instrument values provided by FNZ are not an independent fair market valuation. FNZ uses market prices and foreign exchange rates sourced from reliable third parties. For instruments not traded on a registered market FNZ uses the latest price provided by the instrument issuer.

FNZ makes no representation or warranty as to the accuracy, correctness or completeness of the pricing information and no liability is accepted for any error or omission made by these third parties in relation to the information contained in your records.

## How FNZ is audited

FNZ is independently audited by PwC on an annual basis. This includes PwC obtaining sufficient, relevant and reliable audit evidence to enable them to issue opinions on the fair presentations of the financial statements of FNZ. FNZ also undertakes a semi-annual review of the effectiveness of our internal controls. This is carried out by PwC and is prepared in accordance with the International Standard on Assurance Engagements (New Zealand) 3402 - Assurance Reports on Controls at a Service Organisation (ISAE (NZ) 3402). This report is provided to your wealth management provider. FNZ's custodial and client money handling procedures are also independently audited by PwC on an annual basis.

## No Criminal Convictions, Insolvency and Disciplinary Proceedings

Neither FNZ nor any of its principal officers has ever been:

- Convicted of an offence under the Financial Advisers Act 2008, Financial Markets Conducts Act 2013 (any associated regulations or preceding legislation) or any crime involving dishonesty or been a principal officer of a company at a time when that company committed one of these offences;
- Adjudicated bankrupt or (in the case of FNZ) been placed in statutory management or receivership;
- Prohibited from managing a company or business;
- The subject of an adverse finding in any proceedings taken against it in its professional capacity; or
- Expelled or prohibited from being a member of a professional body.

## How you can make a complaint

In general, you should contact your wealth management provider if you have a complaint to make.

However, if you wish to make a complaint about our service, you may contact us. We have an internal complaints process and undertake to investigate your concerns promptly and fairly. You may contact us to make a complaint by telephone, by email or in writing to:

Postal address: FNZ Limited  
PO Box 396  
Wellington 6011

Phone: 0800 888 445 or (04) 803 9400  
Email: [help@fnz.co.nz](mailto:help@fnz.co.nz)

If you have complained to us and you are not happy with the outcome of our internal complaints process or if we have taken more than 40 working days to resolve your complaint, you may contact Financial Services Complaints Limited ("FSCL") – A Financial Ombudsman Service. FSCL is an external dispute resolution scheme of which FNZ is a member. FSCL provides a free of charge service and can be contacted at:

Postal address: FSCL  
PO Box 5967

Phone: 0800 347 257  
Email: [complaints@fscl.org.nz](mailto:complaints@fscl.org.nz)



Wellington 6140

Alternatively, you can also make a complaint directly to the Financial Markets Authority (FMA)..