

Important Information for Clients

About Highgate Partners

Highgate Partners Limited is licensed by the Financial Markets Authority to provide financial advice and a financial planning service. Highgate Partners' FSP number is 1002138.

Our focus is on managing and advising on investment portfolios for individuals, couples, family trusts and non-profit organisations. Our managed portfolios are made up of funds that invest in shares and bonds. We also provide advice on pensions and retirement accounts, including KiwiSaver and UK pension transfers, and on donor-advised funds.

All of our model portfolios are administered by Consilium NZ Limited ('Consilium'). Consilium, through its investment committee, undertakes independent research on and monitors all managed funds that form part of our model portfolios.

We provide KiwiSaver advice and solutions within the following KiwiSaver schemes:

- ❖ KiwiWrap KiwiSaver Scheme
- ❖ Booster KiwiSaver Scheme
- ❖ SuperLife KiwiSaver Scheme

You can contact us at:



www.highgatepartners.co.nz



+64 3 4779270



info@highgatepartners.co.nz

Level 5, Westpac House
106 George Street,
Dunedin 9016

Business Hours: 8.30am – 5pm Mon-Fri

Fees

Our fee structure is designed with our independent status in mind. This ensures that:

- ❖ we put your interests first
- ❖ any potential conflict of interest is minimised
- ❖ all fees and costs are fully transparent and are notified to you in advance of investing

In all cases the initial meeting carries no obligation and is free of charge. Most of our fees are tax deductible; please confirm with your accountant or tax agent. Further details of all fees are available on request.

Managed Portfolio Fees

(i) Initial fee

A one-off fee that covers planning and implementation and is normally set at \$750 plus GST. This fee is payable if we prepare an investment plan for you, regardless of whether you implement your plan.

(ii) Adviser fee

The adviser fee covers the cost of providing:

- ❖ ongoing advice and support, including regular reviews and reporting
- ❖ monitoring of your investment holdings and associated administration
- ❖ Consilium NZ Limited's independent research, asset allocation and monitoring services.

The adviser fee is calculated based on the value of your funds under management. This is a tiered annual charge of between 0.45% and 1.13% (excl. GST) of the value of your portfolio. This means that different rates apply to different portions of your portfolio and the overall percentage charged reduces for larger portfolios. It is calculated monthly and deducted from your portfolio cash balance.

Highgate Partners Limited reserves the right to charge a minimum annual fee.

Fees Paid to Third Parties

(i) Platform fee

This fee covers the cost of custody, administration, and tax services provided by FNZ Limited as our independent custodian.

The platform fee is calculated based on the value of your funds under management. The platform fee is a tiered annual charge of between 0.1% and 0.25% of the value of your portfolio. This means that different rates apply to different portions of your portfolio and the overall percentage charged reduces for larger portfolios. This fee covers FNZ Limited's custody, tax reporting, performance reporting, and associated administration services. It is calculated monthly and deducted from your portfolio cash balance. We will inform you of the fee scale once we have determined the scope of the advice you seek. The platform fee is not subject to GST.

(ii) Investment management fees

Our model portfolios are made up of funds managed by a range of third party fund managers. Each fund charges a management fee which is typically between 0.25% and 0.40% of assets under management. Entry and exit costs may also be payable. Where we negotiate a fund management fee rebate, we pass this on to you as the client in full. All reported portfolio returns are calculated after deducting fund management fees.

The top five fund managers we use (calculated by assets under management) are:

- ❖ Dimensional Fund Advisors
- ❖ Harbour Asset Management
- ❖ Evidential Investment Funds
- ❖ Kernel Funds
- ❖ Russell Investments

Donor-Advised Funds (The Gift Trust)

The fee structure applicable to donor-advised funds is similar to that for managed portfolios.

KiwiSaver

KiwiWrap KiwiSaver Scheme clients: we charge an initial fee (one-off) of 0.20% of your KiwiSaver balance and an adviser fee calculated as a percentage of your KiwiSaver balance. The adviser fee, which is charged monthly, is deducted from your KiwiSaver account balance and represents up to 0.75% p.a. (plus GST) of your KiwiSaver balance. A scheme fee is also payable to the scheme manager – see www.kiwiwrap.co.nz.

Booster Asset Class KiwiSaver clients: we charge an initial fee (one-off) of 0.05% of your KiwiSaver balance and a service fee calculated as a percentage of your KiwiSaver balance. The service fee, which is charged monthly, is deducted from your KiwiSaver account balance and represents 0.25% p.a. of your KiwiSaver balance. A scheme fee is also payable to the scheme manager – see www.booster.co.nz.

SuperLife KiwiSaver Scheme clients: we charge an adviser fee calculated as a percentage of your KiwiSaver balance. The adviser fee, which is charged monthly, is deducted from your KiwiSaver account balance and represents 0.50% p.a. of your KiwiSaver balance. A fund management fee is also payable to the scheme manager – see <http://www.superlife.co.nz/kiwisaver-home/about-kiwisaver>

UK Pension Transfers

We charge UK pension transfer clients an initial fee which is calculated as a percentage of the transfer value of your UK pension.

Where we act as your investment adviser for pension assets held within a NZ superannuation scheme, there is a tiered annual adviser fee of between 0.50% and 1.13% (excl. GST) of the value of your portfolio. This means that different rates apply to different portions of your portfolio and the overall percentage charged reduces for larger portfolios.

An annual scheme management fee of 0.50% of the value of your account balance is also payable to the scheme manager.

Managing Conflicts of Interest

To prioritise clients' interests above our own, we follow an advice process that ensures our recommendations are made on the basis of the client's goals and circumstances.

All financial advisers who work for Highgate Partners undergo annual training about how to manage conflicts of interest. We maintain and update an Interests Register. We operate a Compliance Assurance Plan and regularly review our compliance programme. This may include a review carried out by an independent compliance adviser.

Financial advisers who work for Highgate Partners are paid a salary with no performance-based element. No financial adviser who works for Highgate Partners is remunerated based on individual client outcomes or recommendations. Staff members who hold shares in Highgate Partners may receive dividends which depend on company performance and other factors.

Handling of Complaints

If you are dissatisfied with our service at any time you can seek to resolve your complaint through our Complaints Handling Process – see www.highgatepartners.co.nz.

This process incorporates free and ready access to the Insurance and Financial Services Ombudsman Scheme, an external independent complaints handling service of which we are a member.

Our complaints handling process is free of charge and is designed to resolve complaints in a timely and independent manner.

Legal Duties

Highgate Partners Limited has duties under the Financial Markets Conduct Act 2013 relating to how we give advice. We are required to:

- ❖ give priority to your interests by taking all reasonable steps to make sure our advice is not 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 www.fma.govt.nz.