

This document includes important information to help you decide whether to engage Fairhaven Wealth. Much of this information is required to be disclosed by law.

Licensing information and contact details

Fairhaven Ventures Limited (FSP774939, trading as Fairhaven Wealth) holds a licence issued by the Financial Markets Authority to provide financial advice as a Financial Advice Provider (FAP).

When you engage Fairhaven Wealth, you will work with Sonnie Bailey (LLB BCom MEntr, DipFincPlan). Sonnie is a financial adviser acting under Fairhaven Wealth's licence.



You can contact Fairhaven Wealth, via Sonnie, as follows:

Phone: 03 421 5764 or 021 0269 2213

Email: sonnie@fairhavenwealth.co.nz

Address: 145 Clyde Road, Christchurch 8053

Sonnie's experience and qualifications

I've been operating Fairhaven Wealth since early 2017. Before this, I had a wide and varied background in the financial services industry. This included acting as a financial services lawyer, working extensively with financial advisers in relation to regulatory matters, appropriateness of advice, professional standards, and industry best practice. I also worked with various financial product providers, including banks, insurers, and investment managers.

I have a Diploma of Financial Planning. I also have a Bachelor of Laws, a Bachelor of Commerce (in economics and finance), and a Masters of Entrepreneurship. I completed the necessary New Zealand qualifications to be authorised as an Authorised Financial Adviser (AFA) under the previous financial advice regulatory regime. I am currently working towards a Postgraduate Certificate in Professional Coaching.

I keep my qualifications up to date through continuing education. This includes keeping up to date with changes to my professional obligations as a financial adviser. I also stay relevant, and contribute to the financial advice and legal industries, by being involved on various committees. For example, I am a member of Financial Advice NZ's Risk Advisory Committee, which provides advice and support to the Financial Advice NZ CEO and its board. I also contribute regularly to my blog, NZ Wealth & Risk (www.wealthandrisk.nz), and use this as a context for improving my knowledge and skills in order to become a better financial adviser.

Fairhaven Wealth's service for new clients

Fairhaven Wealth's primary advice service for new clients is an in-depth financial planning service. Fairhaven Wealth charges **a fixed fee of \$10,000 (including GST)** for this service.

As part of this service, we:

- Work with you to develop a financial plan, tailored specifically to your personal circumstances, needs, and objectives. This plan is documented in a clear, tailored report.
- Model some basic future scenarios ("flawcasts") to provide you with some clarity and confidence about your financial future. This also helps to contextualise your current financial decisions in terms of the trade-offs involved and their long-term implications.
- Provide you with advice in relation to investment options. This includes discussing your broader asset allocation (ie, how your investments should be split across different asset classes/types of investments), and providing specific recommendations for investing your available funds and surplus income. We place special emphasis on explaining *why* we have made our recommendations.

There are no restrictions regarding New Zealand investment products that we can or cannot recommend.

- To the extent necessary, provide recommendations in relation personal insurance such as life insurance, total and permanent disability (TPD) insurance, income protection insurance, and trauma/critical illness insurance.

All insurance advice provided by Fairhaven Wealth focuses on need for cover and level of cover. Our advice is product-agnostic: we don't recommend specific insurance providers or products. (We recommend that clients work with specialist insurance advisers for this purpose.)

Fairhaven Wealth does not provide advice in relation to ACC, health insurance, or general insurance (including house/contents/vehicle insurance, nor professional insurances).

To provide this service we'd need to speak with you on multiple occasions:

- Initially, to go into your details in detail. This is necessary to ensure the advice we provide and the report we prepare is tailored specifically to your circumstances, needs, and objectives.

As well as talking about your financial situation, these conversations involve discussing your goals, values, and priorities. Part of this discussion involves exploring the options available to you and how you currently prioritise between these options.

These meetings generally take place over two or more hours. They can take place in person (in Christchurch), over the phone, or via Zoom.

Most of the time, one meeting is sufficient. Where necessary, two or more meetings may be necessary. We will speak with you as many times as necessary to get a good understanding of your broader situation.

- At least once to present our advice to you and answer any questions you might have. This includes expanding on, or clarifying, our advice. It also gives you an opportunity to push back and challenge our advice to ensure you are comfortable with the advice and it is totally suitable for you.

Before this final meeting (or meetings) we will provide you with a "draft" copy of your report, for you to read and inform our discussion(s).

Additional considerations

- **Fairhaven Wealth does not touch your money.**

Fairhaven Wealth does not implement advice on your behalf. With rare exceptions, all recommendations that we provide can be implemented directly by you.

This is different to most other financial planners, who will provide you with a plan, and will offer (or expect) to implement this advice on your behalf.

- **This is a one-off service, although reviews are available.**

This is different to most traditional financial planning organisations. The common practice is that financial planners recommend advice that they will subsequently implement. They will also charge an ongoing fee – usually calculated as a percentage of your investment portfolio – to manage your investment portfolio and provide ongoing reviews.

Fairhaven Wealth doesn't take this approach. For one thing, we believe this can create subtle conflicts of interest: it creates incentives to recommend investing in financial products that can generate an income for the advice-provider, when investing in financial products might not be the best approach. This approach also locks clients into ongoing fee arrangements that can be very expensive in dollar terms over time (even though these fees are charged in a way where they are not as apparent as most other household expenses).

If you want to engage Fairhaven Wealth to provide a review service, it's up to you to decide *if* and *when* you want to re-engage us. Currently, the cost of an ongoing review is \$500 or \$1,000 including GST, depending on the scope of the review. Information relevant at the time will be available here: <https://fairhavenwealth.co.nz/review>.

- **Fairhaven Wealth provides other services that don't include the provision of personalised financial advice.**

These services include Fairhaven Wealth's INSIGHT service, and any cohort-based courses that Sonnie facilitates via Fairhaven Wealth. The scope of these services – including their limitations – will be described to you if and when you choose to engage these services.

Fees, and our remuneration

Unless it's made clear otherwise, Fairhaven Wealth charges a fixed fee for its services.

The only remuneration Fairhaven Wealth receives is directly from its clients. We do not receive commission, referral fees, or any other benefit of this nature.

Sonnie is the sole shareholder of Fairhaven Wealth. The only remuneration he receives from his work through Fairhaven Wealth is drawings from the business.

Some of the recommendations we make might result in clients incurring fees with the actual product or service providers recommended to them. These fees relate to the products and/or services you engage with these providers, not Fairhaven Wealth.

Wherever possible we will provide advice that means you don't pay unnecessary money in fees.

Conflicts of interest and incentives

I have structured Fairhaven Wealth so that I have no interests or relationships that will get in the way of providing advice that is in my clients' best interests.

When providing advice to clients, my aim is to provide my clients with the same advice I'd provide to close friends or family members who were in the same position. I call this the "friends and family rule". More specifically, I tell clients what I would do if I were in their position and shared their values and priorities.

Fairhaven Wealth only receives remuneration from its clients. It does not receive any other benefits, or have any obligations to, any other organisations or individuals which might influence the advice we provide.

From the day Fairhaven Wealth was founded, it was structured to make it as easy as possible to prioritise our clients' interests when providing advice.

Our duties to you

Fairhaven Wealth has duties under the *Financial Markets Conduct Act 2013* relating to the way we give advice. We are required to:

- Give priority to your interests by taking all reasonable steps to make sure our advice isn't materially influenced by our own interest.
- Exercise care, diligence, and skill in providing you with advice.
- Meet the standards of competence, knowledge, and skill set by the Code of Professional Conduct for Financial Advice Services.

This is only a summary of the regulatory duties that apply to us, and all other financial advisers. More information is available to contacting us, or by visiting the Financial Markets Authority (FMA) website: <https://www.fma.govt.nz>.

Complaints handling and dispute resolution

If you're not satisfied with our service, you can make a complaint by emailing sonnie@fairhavenwealth.co.nz, calling 021 0269 2213, or writing to us at 145 Clyde Road, Christchurch 8053.

When we receive a complaint, we will consider it following our internal complaints process:

- We will consider your complaint and let you know how we intended to resolve it.
- We may need to contact you to get further information about your complaint.
- We aim to resolve complaints within 10 working days of receiving them. If we can't, we'll contact you within that time to let you know we need more time to consider your complaint.

We will contact you by phone or email to let you know whether we can resolve your complaint and how we propose to do so.

If we can't resolve your complaint, or you aren't satisfied with how we propose to do so, you can contact the Financial Dispute Resolution Scheme (FDRS). Sonnie and Fairhaven Wealth are members of FDRS (membership number FM4222).

FDRS provides a free, independent dispute resolution service that may help investigate or resolve your complaint, if we haven't been able to resolve your complaint to your satisfaction.

You can contact FDRS as follows:

Phone: 0508 337 337

Email: enquiries@fdrs.org.nz

Address: Financial Dispute Resolution Service
Freepost 231075
PO Box 2272
Wellington 6140

Reliability history

Neither Fairhaven Wealth nor Sonnie Bailey have been subject to a "reliability" event, such as legal proceedings, bankruptcy, or insolvency. (A reliability event is something that might materially influence you in deciding whether to seek advice from Sonnie and Fairhaven Wealth.)

Your privacy is important to us

In order to provide our services to you, we will need collect personal information about you. We take our responsibilities under the *Privacy Act 2020* very seriously.

You can find out about how we look after your personal information by reading Fairhaven Wealth's [privacy policy](#).

Thanks for reading this disclosure statement, and considering engaging Fairhaven Wealth.

It's a pleasure – and a privilege – to work with thoughtful Kiwis who are engaged in their financial futures.

