

Consilium Wrap Terms and Conditions

Version 1.1, effective 15 February 2021

This Website provides you with information about and access to Consilium Wrap. Consilium Wrap is an internet-based investment administration facility provided by Consilium NZ Limited (Consilium) enabling people to access custodial services provided by an independent Custodian (currently FNZ Custodians Limited). Consilium Wrap is made available for:

- People who wish to hold their investments through a wrap platform; and
- Financial advisers who provide financial advice and related services to those people.

These Terms and Conditions relate to your access to and use of this Website. By accessing or viewing the Website or using any of the online functionality within the Website, you accept and agree to be bound by these Terms and Conditions.

1. You need to know some important things about your relationship with us.

- 1.1. Your access to this Website is subject to the following terms, which we will sometimes update:
 - 1.1.1. The General Terms (contained in Part A of these Terms and Conditions);
 - 1.1.2. If you are an Account Holder or Investor – the Additional Terms for Account Holders and Investors (contained in Part B of these Terms and Conditions);
 - 1.1.3. If you are an Adviser - the Additional Terms for Advisers (contained in Part C of these Terms and Conditions);
 - 1.1.4. Our Privacy Policy;
 - 1.1.5. Other terms and conditions which we tell you apply to this Website. This includes the terms and conditions of a Third Party service provider on which the operation of this Website depends - their terms and conditions will also be made available on this Website;
 - 1.1.6. The Custodian's terms of access, available on the login page of Consilium Wrap; and
 - 1.1.7. The Custodian's disclosure statement.
- 1.2. You also agree to us handling your personal information in accordance with our Privacy Policy.

Part A: General Terms

This Part applies to all Registered Users.

2. To help you with understanding these Terms and Conditions, we have provided definitions for the capitalised terms used.

“Accessible Investment” is any asset available to buy or sell through Consilium Wrap.

“Account” is a subset of investments held within a portfolio, distinguished from the total portfolio and other Accounts by a suffix.

“Account Holder” is an Investor, or potential Investor, who holds a Consilium Wrap Account.

“**Adviser**” is a financial adviser who is authorised to provide financial advice, and includes their support staff.

“**Business Day**” is any day (other than a Saturday or Sunday) that is not a national public holiday.

“**Consilium Wrap Profile**” is the online user profile we create in your name, which allows you to access your Portfolio via the Website.

“**Custodian**” is FNZ Custodians Limited.

“**Exchange of Information Requirements**” are the requirements that we must comply with for the purpose of reducing tax evasion by citizens or residents of certain countries. These relate to the Foreign Account Tax Compliance Act (FATCA) and the Common Reporting Standard (CRS). They also relate to any New Zealand legislation or agreements entered into by the New Zealand Government for the purpose of complying with FATCA or CRS, and any equivalent or similar requirements imposed for the purpose of reducing tax evasion by citizens or residents of certain countries.

“**Force Majeure**” is any event outside the reasonable control of Consilium. This is any event which could not have been prevented or avoided through the exercise of reasonable due care.

“**Investment Disclosure Document**” is the product disclosure document for an Authorised Investment. You can ask your adviser or the issuer for a copy of this document.

“**Investor**” is an individual, corporation, trust or any other entity, that owns an Accessible Investment.

“**NZ Financial Services Legislation**” means the Financial Advisers Act 2008, the Financial Markets Conduct Act 2013, the Financial Services Legislation Amendment Act 2019 and their replacements, as relevant.

“**Portfolio**” is the group of Accounts an Investor holds through their Consilium Wrap Profile.

“**Privacy Policy**” is Consilium’s Privacy Policy which is available through our website.

“**Registered User**”, “**you**” or “**your**” is a user who has successfully been registered to use this Website.

“**Request**” is any direction, instruction or communication given by you (either by an Account Holder, or by an Adviser on behalf of an Account Holder) to us by using the functionality of the Website.

“**Support Staff**” is any staff of the Adviser who has been authorised to use this Website on behalf of the Adviser.

“**Third Party**” is any third party who provides any content or material on this Website. A Third Party does not include Consilium.

“**Website**” is this website, available at www.adviser.consiliumwrap.co.nz or www.my.consiliumwrap.co.nz.

3. You may only access the Website after you successfully complete the registration process.

- 3.1. To register, you will need to provide (at a minimum) your full name, email address and create a password. The details required will depend on what type of Registered User you will be.
- 3.2. If you complete the registration process and your registration is accepted by us, you will become a Registered User. This means you will be entitled to access and use this Website in accordance with the Terms and Conditions.
- 3.3. We can deny access or refuse registration to any person at any time, at our discretion, if we feel it is necessary.

4. We may change these Terms and Conditions when we feel it is necessary.

- 4.1. If we make any changes, we will take steps to bring those changes to your attention. This will generally be by putting a notice of the changes on the Website, together with the updated Terms and Conditions.
- 4.2. You should check these Terms and Conditions from time to time to make sure you agree with them. When you access or use the Website, it also means you accept the Terms and Conditions.

5. We can change the Website without first letting you know we are changing it.

- 5.1. This includes changes to the look of the Website, or to the way the Website works. It does not, however, include changes to any fee or charge for the use of the Website.

6. All communication about the Website will be made digitally.

- 6.1. This is because this Website is a completely digital service. It means that all communications and notices that relate to the Website will be sent by email to your nominated email address, or made available by a message on the Website. Email communications may include attachments or a link to the relevant communication.
- 6.2. Sometimes we must provide you with a communication. This could be by law, or for another important reason. We will provide this communication digitally, either by email or by a message on the Website.
- 6.3. We will consider that you have received the communication either:
 - 6.3.1. When it has been emailed to you; or
 - 6.3.2. The next time you access the Website after the date of the communication.
- 6.4. If you wish to change your nominated email address or method of communication, you must provide this request in writing to us or, if you are an Investor, to your Adviser. If you are an Adviser, we may ask you to provide evidence of an Investor's approval of the change.

7. By agreeing to these Terms and Conditions, there are some important things you are acknowledging.

- 7.1. You are solely responsible for your use of this Website and any instruction given through the Website.
- 7.2. You will not allow any other person to use your login details to access this Website.
- 7.3. If you represent a company or other legal entity (like a trust), when you access or use this Website you are agreeing to the Terms and Conditions on behalf of yourself and on behalf of the company or other legal entity. You must be sure you are authorised to agree on the company or other legal entity's behalf.
- 7.4. You are not a direct client of the Custodian and will not have the ability to enforce the agreement between Consilium and the Custodian, except to the extent that, as an Investor, you have enforceable rights against the Custodian under NZ Financial Services Legislation.
- 7.5. Custodial reporting produced by the Custodian will only include information on Accessible Investments held in custody.

- 7.6. Neither Consilium nor the Custodian are responsible for verifying, reconciling or reporting on any assets recorded on an Account by an Adviser or Investor, that are not Accessible Investments held in custody.
- 7.7. Past performance information provided on or through this Website is not a reliable indicator of future performance, and actual returns may differ. You should not rely on any past performance information to make an investment decision.

8. We do our best to make sure information provided on the Website is correct and up to date.

- 8.1. We can't guarantee, however, that there are no errors in the information, or that the information is the latest information available.
- 8.2. Sometimes the Website will contain links to a website owned or operated by a Third Party. We are not responsible for the content of Third Party websites. The links are provided as a courtesy service only.

9. You must agree that you will not hold us responsible for, or make a claim against us, in relation to certain things.

- 9.1. Consilium includes Consilium NZ Limited as well as our related bodies corporate, and directors, officers, agents and employees of Consilium NZ Limited or our related bodies corporate. In these Terms and Conditions we refer to each of these as an Indemnified Person.
- 9.2. Indemnified Persons will not be liable for any direct or indirect loss, costs, charges or expenses you incur that are connected with the things listed below:
 - 9.2.1. Your fraud;
 - 9.2.2. Any information you provide us that is wrong or inaccurate;
 - 9.2.3. You or someone on your behalf using this Website in breach of these Terms and Conditions;
 - 9.2.4. Another person using your login details to access and use this Website (whether or not you have authorised them to do that), except where it is our fault that the person has done so;
 - 9.2.5. Us acting on any Request that appears to be given by you, including:
 - 9.2.5.1. A Request that is unauthorised or fraudulent; or
 - 9.2.5.2. Where you initiate a Request through the Website then you ask us to stop that Request.
 - 9.2.6. If you are an Adviser, any claims made by any of your clients who are Account Holders, except where that liability is directly caused by us breaching these Terms and Conditions, or by any negligent act or omission by us.
- 9.3. If you have a direct debit established on your Account that fails, it may be reversed and you may incur a penalty. In addition, if the uncleared funds have already been invested, you may incur a loss if those investments then need to be sold down.
- 9.4. If we incur costs from any of the above occurring, you agree to pay us the amount incurred.

10. As part of your use of the Website, you will be required to provide your personal information.

- 10.1. Any information you provide as part of any registration or application process you complete via the Website must be true and correct.

- 10.2. You must notify us if any of the information provided by you changes. You can do this by contacting your Adviser (or if you are an Adviser, by contacting Consilium).
- 10.3. If you are an Investor, you must provide all information we need to comply with the Exchange of Information Requirements.
 - 10.3.1. You must self-certify this information by confirming it in writing.
 - 10.3.2. You must advise your Adviser if the information changes.
 - 10.3.3. If you are a trustee of a discretionary trust, you must inform your Adviser when a beneficiary of that trust receives a distribution from the trust.
- 10.4. If you are an Adviser, you must update the information provided to you by the Investor, on the Website.

11. Our Privacy Policy contains important information about how your personal information is handled when you use and access this Website.

- 11.1. You can find our Privacy Policy at www.consilium.co.nz/privacy-policy. We may sometimes update our Privacy Policy.
- 11.2. You must write and tell us if you do not agree to us handling your personal information in the way we describe in our Privacy Policy.
- 11.3. We cannot provide this Website to you if you do not agree to us handling your personal information in the way we describe in our Privacy Policy. Once you tell us, we will deregister you within a reasonable amount of time. This means you will no longer be a Registered User.

12. We may need to verify your identity.

- 12.1. If we need to verify your identity, we will collect, use and sometimes exchange your personal information with Third Party providers. We usually conduct this check when you apply to use Consilium Wrap.
- 12.2. By applying to use Consilium Wrap:
 - 12.2.1. You acknowledge and agree that you are authorised to provide the personal information; and
 - 12.2.2. You consent to your personal information (including your name, address, date of birth and email address) being provided to a Third Party provider for the purpose of confirming your identity. This includes checking your identification information against an identification document issued by the relevant document issuer or official record holder.

13. Your investment in an Accessible Investment is subject to risk.

- 13.1. Neither Consilium nor the Custodian guarantee the repayment of your capital or the performance of any investment.
- 13.2. None of the Accessible Investments mentioned on this Website represent investments, deposits or other liabilities of Consilium or the Custodian.

14. You may have the ability to submit a Request through the Website.

- 14.1. If you are permitted to submit a Request, you must immediately notify us if a Request you have submitted is not displayed on Consilium Wrap.
- 14.2. We may decline to act on any of your Requests at any time without giving any notice or reason. If we decline to act on any Request you make, we will let you know within a reasonable time of receipt of that instruction.
- 14.3. We are entitled to rely on the information provided by you, or any representation made by you. We are entitled to act on any Request which appears complete, without checking with you.

15. If you are an Investor, fees and taxes will be paid when you use Consilium Wrap.

- 15.1. Fees will be deducted from your Account. These include:
 - 15.1.1. Fees for holding any Accessible Investments available through Consilium Wrap;
 - 15.1.2. Fees for buying and selling Accessible Investments (including currency conversion fees and brokerage);
 - 15.1.3. Any fees charged by the issuer of the Accessible Investments;
 - 15.1.4. Fees for using a product or service available through Consilium Wrap (such as a superannuation product); and
 - 15.1.5. Other fees as described in the Custodian's disclosure statement.
- 15.2. In addition, the fees you agree with your Adviser for their services will also be deducted from your Account and paid to your Adviser.
- 15.3. The Custodian will deduct fees and taxes, including those listed in this section. You authorise the Custodian to debit these fees and taxes from your Account's cash management account.

16. This section sets out Consilium's approach to the disinvestment of assets, to ensure that Accounts maintain cash above the minimum requirement. This is called our disinvestment policy.

- 16.1. The minimum cash balance for an Account on Consilium Wrap is 0.50%. We may change this minimum from time to time.
- 16.2. If you are an Investor, typically, your Adviser will agree with you an amount of cash to be held in your Account to fund fees and taxes, and should maintain your cash balance at or above this level.
- 16.3. When an Account's cash balance is below 50% of the minimum cash balance (i.e. 0.25%), the Account Holder and their Adviser will be notified that this is the case.
- 16.4. When an Account's cash balance is below 15% of the minimum cash balance (i.e. 0.075%), the Account Holder and their Adviser will receive a notification stating that Consilium Wrap will trigger disinvestment of assets in six business days if the cash balance is not increased to the minimum.

- 16.5. After six business days, if the Account's cash balance remains below the minimum, Consilium Wrap will trigger disinvestment as follows:
 - 16.5.1. The least volatile Accessible Investment will be selected.
 - 16.5.2. If two or more Accessible Investments have the same volatility, the largest holding will be selected first.
 - 16.5.3. If the largest holding does not cover the required disinvestment amount, the second largest holding will then be sold, followed by the third largest holding and so on.
- 16.6. Unless we receive a Request to the contrary, Consilium Wrap will never trigger disinvestment from the following Accessible Investment types:
 - 16.6.1. Directly held bonds.
 - 16.6.2. Directly held shares or exchange traded funds (ETFs).
 - 16.6.3. Term deposits.
- 16.7. The value of the disinvestment will be what is required to bring the Account's balance back to the allowed minimum (i.e. 0.50%).
- 16.8. The volatility rating is received from Morningstar. The rating uses standard deviation to measure the spread of a fund's return around its average over a certain period of time. Monthly standard deviations are annualised and expressed as a percentage. Those with a lower percentage are least volatile. Please note:
 - 16.8.1. A three year time period is used by default. If three years' data is not available, a shorter time period is used.
 - 16.8.2. If no data is available for a particular fund, the fund is treated as most volatile.
 - 16.8.3. No discretion is applied regarding the assessment of the volatility rating by Consilium or the Custodian.

17. We will do our best to provide you with access to this Website 24 hours a day, seven days a week.

- 17.1. Sometimes, though, the Website or Website functionality will be interrupted for maintenance, upgrades and emergency repairs. We will take every reasonable step to minimise this disruption, where it is within our control.
- 17.2. We will also do our best to ensure this Website is secure, and that communication and information available through this Website is held securely and protected from misuse, interference and loss.

18. If we need to, we can suspend, cancel or terminate your access to this Website. We can also suspend, cancel or terminate the use of or access to your Account.

- 18.1. This can be done at any time, without prior notice to you, for the following types of reasons:
 - 18.1.1. You fail to keep your Consilium Wrap Profile access details secure;
 - 18.1.2. Your use of the Website is unreasonable, or breaches these Terms and Conditions;
 - 18.1.3. We believe you have engaged in any activity which we consider to be an unreasonable use of this Website, or which affects the security of this Website; or
 - 18.1.4. You are no longer an Account Holder, or an Adviser.

19. You can ask to terminate your Website access.

- 19.1. To do this, you must let us know in writing that you want to cancel your registration for the Website, and therefore cease being a Registered User. We will make our best effort to terminate your access within 30 Business Days of receiving that notice.

20. Each of these Terms and Conditions can stand alone.

- 20.1. This means that, if any of these Terms and Conditions is considered to be unlawful, invalid or unenforceable for any reason, by any competent authority, then that particular term or condition can be removed from the rest of the Terms and Conditions. Its removal will not affect the rest of the Terms and Conditions from being valid and enforceable.

21. These Terms and Conditions are governed by the laws of New Zealand.

- 21.1. You submit to the exclusive jurisdiction of the courts of New Zealand in respect of all matters arising out of or relating to these Terms and Conditions.

22. We will let you know if a Force Majeure event occurs as soon as we can.

- 22.1. If we are delayed in performing or cannot perform an obligation under these Terms and Conditions because of a Force Majeure event:
 - 22.1.1. We can only suspend that obligation for as long as we are affected by the Force Majeure event;
 - 22.1.2. If we do need to delay or not perform an obligation, we will not be responsible for any loss or damage you suffer, or expense you incur as a result; and
 - 22.1.3. The time we have to perform that obligation is extended by the duration of the Force Majeure event.
- 22.2. We will do what we can to avoid, remove or limit the effects of the Force Majeure event, and to perform our obligations as quickly as possible (however this does not require us to settle any strike or other labour difficulty on terms contrary to our wishes).

- 22.3. If a Force Majeure event lasts for more than 30 consecutive days, Consilium has the right to:
- 22.3.1. Terminate these Terms and Conditions; and
 - 22.3.2. Terminate your access to this Website, and any service and functionality provided through the Website, without incurring any liability to you.

23. Intellectual property rights

- 23.1. The Website and its downloadable contents are protected by copyright laws. You may print and/or download a copy of any part of the Website for your personal, non-commercial use, but you may not copy any part of the Website for any other purpose without the express written consent of Consilium, and you may not modify any part of the Website for any reason. Inclusion of any part of the Website in another work, whether in printed, electronic or other form, or inclusion of any part of the Website in another Website by linking, framing, in-line linking, or otherwise, is strictly prohibited without obtaining the prior written consent of Consilium and agreeing to terms and conditions as reasonably required by Consilium.
- 23.2. The trademarks, service marks, logos and any designs used or displayed on the Website specific to Consilium are trademarks and/or service marks owned by Consilium. Any use of copyrighted works, trademarks or service marks, including the reproduction, modification, distribution or republication of same without the prior express written permission of Consilium is strictly prohibited. Other copyrighted works, trademarks, service marks, trade names and company logos utilised on the Website are the property of their respective owners. The appearance of any such Third Party trademarks does not in any way imply any connection, license, approval or other such relationship of any kind with such Third Party.

Part B: Additional Terms for Account Holders and Investors

This Part B applies to Registered Users who are Account Holders. These terms are in addition to the General Terms.

24. Registration

- 24.1. As an Account Holder, registration to this Website gives you access to your Consilium Wrap Profile.
- 24.2. As an Investor, registration to this Website gives you the ability to access your Portfolio.
- 24.3. As an Investor, by agreeing to these Terms and Conditions, you are appointing the Custodian to provide custodial services to you, and for the Custodian to hold your Accessible Investments for your benefit, as bare trustee.
- 24.4. You acknowledge that, should your Account become inactive and we are unable to contact you for more than six years, your Account balance will be deemed to be unclaimed money and paid over to the IRD in accordance with the Unclaimed Money Act 1971 or any subsequent replacement act, or otherwise dealt with in accordance with any other applicable statutory provision.

25. Indemnity

- 25.1. As an Investor, you indemnify the Custodian, Consilium and their respective employees, agents and contractors against all losses sustained or incurred by the Custodian, Consilium or any of their respective employees, agents and contractors in the performance of their duties or exercise of their authorities except to the extent arising as a result of their own negligence, fraud or wilful default.
- 25.2. As an Investor, you indemnify the Custodian and its respective employees, agents and contractors in the case of any portfolio investment entity tax liability required to be deducted (at the prescribed investor rate (PIR) nominated by you and conveyed to your Adviser) from any Accessible Investment you hold, even if that liability exceeds the value of the Accessible Investments held, or any incorrect notification or failure to notify or update annually your PIR or tax rates.
- 25.3. As an Investor, you acknowledge that incorrect information provided in relation to the Exchange of Information Requirements may cause the Custodian or Consilium to suffer loss and you agree to indemnify the Custodian and Consilium from any loss (including amounts payable as fines) caused by relying on such incorrect data.

Part C: Additional Terms for Advisers

This Part C applies to Registered Users who are Advisers. These terms are in addition to the General Terms.

26. When you use the Website, you must make sure you do certain things. You must:

- 26.1. Comply with the Privacy Act 2020 and obtain all relevant consents from your clients who are Account Holders to collect, use and disclose their personal information. This includes accessing your client's Consilium Wrap Profile, managing your client's Portfolio on your client's behalf, and accessing your client's information through the Website;
- 26.2. Immediately inform us if you cease to act as an Adviser to any client who is an Account Holder. In this event, you must not access, and must ensure that no other person accesses, that client's information for any purpose (other than as authorised by law); and
- 26.3. Provide all documents required by us. Examples include customer due diligence documents or proof of bank account.