

Scope of Service Navigator

Welcome to Forsyth Barr

This document describes our **Navigator Service**. The description is general in nature and is provided to help guide you towards the type of service that best suits your requirements. For a comparison of our range of wealth management services, see our **Comparison of Investment Services** document.

This service is provided by Forsyth Barr Limited, a licensed financial advice provider, and Forsyth Barr Investment Management Limited, a licensed discretionary investment management service provider (together "Forsyth Barr").

Investment advice under the service is provided by Forsyth Barr and your Investment Adviser. Our Investment Advisers are registered as financial advisers. You can also discuss this document with your Investment Adviser.

What is the Navigator Service?

Under the Navigator Service, you get initial and ongoing advice on investing in a portfolio of managed funds and ongoing management of your portfolio. This will be based on your investor type (i.e. investment risk profile), your investment timeframe and your discussions with your Investment Adviser; together, these will all inform the type of portfolio (i.e. mix of funds) we recommend to you and how we manage your portfolio.

Your portfolio will invest in a range of managed funds which are provided by Forsyth Barr. Your portfolio is held through a custodian, and is monitored and managed by Forsyth Barr through its discretionary investment management service. Under this service, you also receive quarterly portfolio reporting and year-end tax reporting on your portfolio.

What kind of investment advice can I get?

Your Investment Adviser will provide you with advice on whether or not the Navigator Service is suitable for you. If you decide to use this service, your Investment Adviser will also provide you with advice in determining your portfolio type, and on an annual basis, review the service's ongoing suitability with you.

This service may be suitable for you if you:

- have funds to invest and are looking to grow this sum by investing in a diversified selection of funds
- are in retirement and are using your investments to pay for your retirement lifestyle needs
- are looking for a tax-efficient and cost-effective managed investment solution
- don't want to be involved in day-to-day investment decision-making.

If this service is suitable for you, we will offer you initial and ongoing advice on the portfolio type you are invested in, based on your investor type and your investment timeframe. You can also ask your Investment Adviser for incidental advice on your portfolio at any time; for example, if you have an additional amount you'd like to add to your portfolio, you can also ask us for advice on that.

If this service is suitable for you, your Investment Adviser will present a recommendation on the type of investment portfolio that Forsyth Barr considers the most appropriate for your investment objectives.

If you accept our advice, your funds will be invested based on those recommendations.

On an ongoing basis, Forsyth Barr will monitor and review:

- the investment positions within the target portfolio (that your portfolio is based on), its performance and the investment outlook. If Forsyth Barr determine that changes to the target portfolio are required, Forsyth Barr will also rebalance your portfolio. This can include changing the managed funds within your portfolio and/or changing the target invested amount in any of the existing funds within your portfolio.
- the actual mix of your managed funds against the target mix (at that point in time) for your investor type. If things drift too much Forsyth Barr will rebalance your portfolio back to the target mix.

Limitations on our advice and investment management

The advice that you will receive and how we manage your portfolio are based on your investor type and your investment timeframe, and would very likely be different if either of these was different. In providing you with advice we only take into account information that is available to us through your use of this service, including anything you may communicate to your Investment Adviser concerning your financial circumstances from time to time.

We will only provide advice on the Navigator Service (including the portfolios available within it) and our Navigator service only invests into the Forsyth Barr Funds. We don't advise on or invest in other investment opportunities under this service.

We also don't advise on tax or estate planning, budgeting or other financial planning, or insurance or legal issues.

Who makes the investment decisions?

Once you've made the decision to open a Navigator Service account, Forsyth Barr will make all of the investment decisions for your portfolio based on your investor type and investment timeframe, including the initial mix of funds and any changes to that mix on an ongoing basis.

Principal benefits and risks of advice

Our advice under this service helps you decide if the Navigator Service is suitable for you. We take care to ensure the suitability of the advice we provide in light of the nature and scope of this service, as required by the Code of Professional Conduct for Financial Advice Services.

One of the benefits of the Navigator Service is that you do not need to be involved in the day-to-day management of your investment portfolio – we take care of that for you, ensuring investment decisions made are consistent with your portfolio type. However, if you like to be involved in day-to-day investment decision-making, this service may not be suitable for you.

The main risk associated with advice under this service is that a change in your overall financial situation or goals may mean that your investor-type is no longer suitable.

Please see our Service Disclosure Statement for more information about the risks of using this service.

Each year we will contact you for a review to re-confirm the suitability of this service with you. However, if your circumstances change materially it is your responsibility to contact your Investment Adviser so that our advice on the portfolio you are invested in can be reviewed and updated as soon as possible.

For more information about the principal benefits and risks of investing, see our terms and conditions at www.forsythbarr.co.nz/terms-and-conditions.

What fees do I pay?

Please see the Service Disclosure Statement and your Investment Proposal for more information about fees. The Advice Information Statement provided to you also has information about fees.

How do I open an account?

You can apply to open an account by signing and returning the Investment Proposal that your Investment Adviser will provide to you. See our Service Disclosure Statement for more information about how to apply. Your Investment Adviser can provide you with more information about how to apply.