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## **Wealth Management Custody Service**

### **Frequently Asked Questions**

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*Chris Lee & Partners (CLP) has partnered with Hatch to provide the registry and custody service for its client accounts. Custody is provided by FNZ Custodians, which is responsible for the safekeeping of investments, ensuring they are held securely and managed in compliance with regulatory requirements. The Cash Management Nominee (FNZ Securities), selected by CLP, holds your on-call funds in Pooled Cash Management Accounts with ANZ Bank New Zealand Limited (ANZ) on a bare trust basis. These accounts are debt securities of ANZ, with your funds recorded under your name in Cash Management Accounts.*

#### **1. Who is the Wealth Management Service suited for?**

Our Wealth Management Service is designed for investors who seek a comprehensive and proactive approach to managing their financial assets. It is ideal for those who prefer to have their investment portfolio managed by experienced professionals, with assets securely held in custody. This service benefits clients who value personalised financial advice, regular updates on market conditions, and require assistance with cash management, tax reporting, and administrative paperwork. Our Wealth Management Service provides a complete package tailored to meet clients' specific financial goals and needs.

#### **2. How do I set up an account?**

You will need to complete the relevant application form and must be AML compliant within our system. An application form can be requested via email. Once submitted, CLP will create your account electronically.

#### **3. Which bank provides the Cash Management Account?**

CLP has selected ANZ Bank to provide cash management account services to ensure that your funds are managed efficiently, offering you convenience and peace of mind by using one of NZ's strongest banks.

#### **4. How do I withdraw money from my Cash Management Account?**

You must request withdrawals via email, and these will be actioned immediately if the request is received by 3 pm for overnight processing. Requests after 3pm will be actioned the next day. We recommend that you only deposit funds you do not need regularly.

You may also request a regular monthly withdrawal to your nominated bank account of your choice.

#### **5. How do I deposit money into my account?**

Initially, you must deposit funds into our Trust account. Once the funds are cleared, CLP will transfer the money into the custodian account using your relevant reference number. From November, this process will be automated, allowing you to deposit funds directly into your Cash Management Account via electronic transfer.

#### **6. Where can I view my current balances of shares, bonds and cash?**

Current balances will be displayed on our website in your usual client log in. From November, a new website will be available providing real-time access.

#### **7. Where is the current interest rate displayed?**

The current interest rate for the Cash Management Account will be displayed on your portfolio.

#### **8. Are monthly statements sent directly to me?**

Yes, our custodian can send monthly statements directly to you. These statements will detail all transactions, balances, and interest earned. From November, you will also be able to log in to your account to view balances, download statements, and generate tax reports at any time.

#### **9. Are tax statements generated at year-end and sent directly to me?**

Yes. Our custodian will provide comprehensive reports, including the generation of tax statements at year-end. You will receive these statements directly. From November, you can access and generate multiple reports at any time, providing flexibility and ease of access to your financial information.

**10. What are the transaction fees associated with the Cash Management Account and our Wealth Management Service?**

An annual account fee, payable monthly, will be charged at 0.50%+GST per annum of the portfolio's value (excluding cash). Brokerage of 0.75% will be charged on all transactions (excluding cash).

There are no transaction fees with the Cash Management Account. CLP/The Cash Management Nominee will receive a fee, payable by ANZ Bank on the funds held, which is factored into the interest rate.

**11. Are there minimum balance or regular deposit requirements to receive interest?**

Yes, initially there will be a \$1,000 minimum deposit requirement, however from November there will be no regular deposit requirements. There is no minimum balance requirement.

**12. How is the interest calculated and paid?**

Interest on the Cash Management Account is calculated daily and credited to the account monthly. The specific interest rate applied will be displayed on our website. Monthly statements will show the interest earned, ensuring you are fully informed about your account performance.

**13. What security measures are in place for the Cash Management Account?**

The Cash Management Account is secured through ANZ's security protocols, including encryption and continuous monitoring for suspicious activity. FNZ, which has over US\$1.5 trillion of assets under administration, also implements robust security measures to protect your funds and personal information against unauthorised access and fraud.

**15. How are disputes or issues with the Cash Management Account handled?**

Any disputes or issues will initially be managed by CLP. You can report problems via email or phone, and we will ensure prompt resolution. Our priority is to address any concerns quickly and effectively to maintain your satisfaction and trust.

**16. Who makes the final investment decision?**

Whilst our advisors will make regular investment recommendations, we do not offer a discretionary management service and the final investment decision is the clients.

**17. Will there be access to foreign stock exchanges?**

Initially clients will have access to NZX and ASX listed securities. From November clients will have access to most world markets including: New Zealand, Australia, Canada, France, Germany, Hong Kong, Ireland, Japan, Netherlands, Singapore, Spain, Switzerland, United Kingdom and the USA.

**18. Where do my dividends and interest get deposited?**

All dividends and interest will get deposited into your Cash Management Account. By instruction, CLP can arrange for a regular deposit to be made on the 1<sup>st</sup> of each month at a set amount of your choosing.

**19. What will happen to my relationship with MUFG/Link Market Services and Computershare?**

Our Wealth Management Service removes the requirement for you to have to deal with Link Market Services or Computershare as all payments will be made from our Custodian (FNZ). Accordingly, you will not need a CSN/FIN/SRN or any other investor number.