

it's a wrap_

Consilium Wrap Platform is a bespoke custodial wrap service designed for professional financial advisers and their clients.



Consilium 
Wrap Platform_

www.consiliumplatform.com

Information

Consilium Wrap is designed for professional financial advisers and their clients.

Traditionally, the technology powering Consilium Wrap has only been available to large financial institutions throughout Australasia, Europe and Asia. Consilium has used its scale to customise and deliver this leading technology to financial advisers and investors across New Zealand.



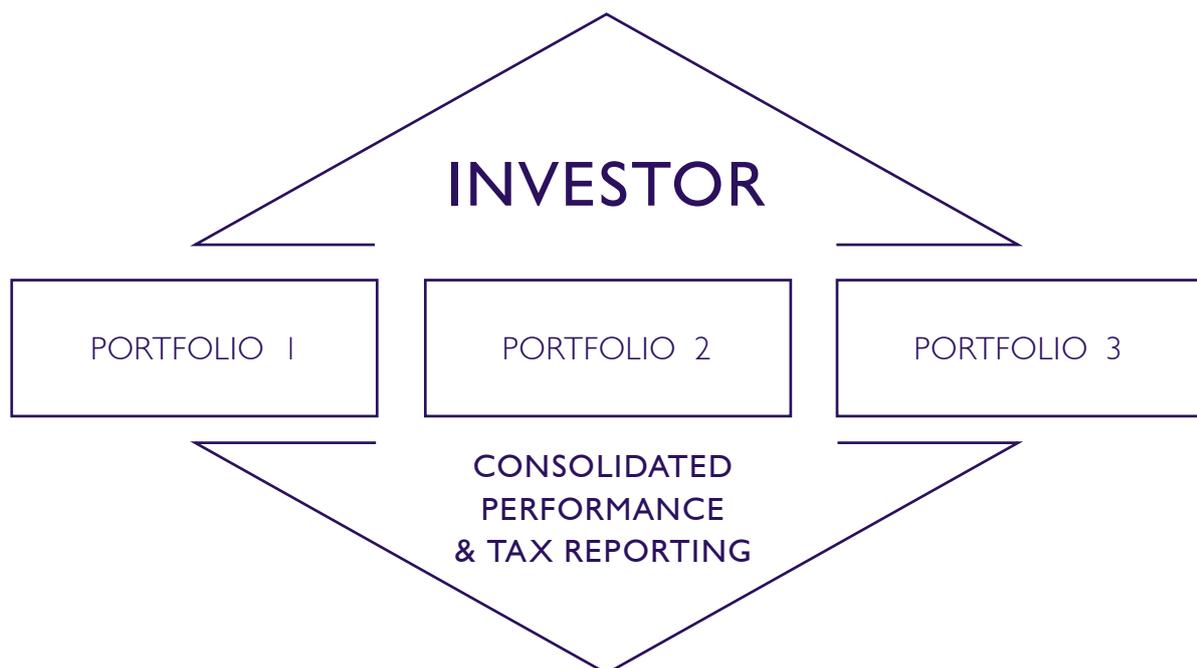
The four key benefits for investors on Consilium Wrap

Sophisticated architecture

Investors can have multiple portfolios under one name. These portfolios are combined for tax reporting, making it easier to complete tax returns, but performance and valuation reporting can be run collectively or individually. This structure provides the flexibility to have different fee arrangements for each portfolio, depending on which investments are held within them.

Online access at any time

Consilium Wrap has an easy to use online client access facility. This allows investors to view up to date information about their portfolio at any time, including valuation, performance and transactional information. Advisers can also post regular reports to this facility, dramatically reducing the need for paper copies and filing.



Institutional level pricing

Consilium Wrap allows investors to access a wide range of investments in multiple currencies, including wholesale managed funds and listed shares, at institutional prices.

Unique term deposit facility

Investors can access a range of term deposit providers, often at better than retail rates, and can change between providers on maturity with ease. This facility is available at a discounted administration fee.

Why invest through Consilium Wrap rather than directly?

Greater choice

Consilium Wrap provides access to a wider range of domestic and international assets, including institutional assets not available direct to the public. This means the financial adviser can build a portfolio that meets an investor's needs.

Lower costs

Average fund costs may be lower due to the scale achieved by Consilium Wrap. Lower transaction costs are achieved through aggregation of orders.

Simplification

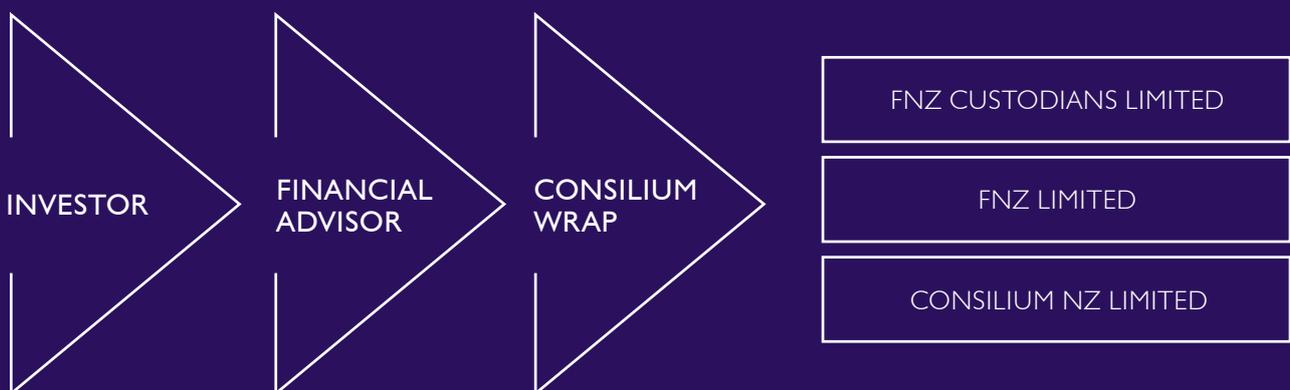
Investment applications and corporate action paperwork is managed by Consilium Wrap. By agreement with the client, all transactions can be facilitated through one person, the adviser.

Transparency

Consilium Wrap allows easy viewing of current and past valuation and performance reports across all investments.

Convenience

The financial adviser, on behalf of the investor, can look after all investments held on Consilium Wrap. They monitor, review and transact on the portfolio to ensure the investor remains on track to meet their objectives.



Consilium Wrap brings together the investor, the financial adviser, Consilium NZ Limited, FNZ Custodians Limited and FNZ Limited.



How does Consilium Wrap work?

Consilium Wrap enables investors to efficiently build and manage customised investment portfolios in conjunction with their financial adviser.

Investments are registered in the name of the custodian, FNZ Custodians Limited, but the investor remains the beneficial owner.

Holding assets in custody allows Consilium Wrap to increase efficiency, gain access to institutional level investments and keep fees low. All interactions between Consilium Wrap and investment management companies or trading exchanges (such as NZX) are centralised. This reduces costs, the benefits of which flow back to investors in the form of improved fund

access and lower fees. Whenever a change is required to an investment portfolio, the adviser loads the appropriate instruction on Consilium Wrap. This simplifies the administration of portfolio transactions, as investors only need to contact one person.

Assets and currency

Investors can invest in a large number and type of assets from all over the globe. They can also hold, invest and report in multiple currencies. While the list of available assets on Consilium Wrap is already extensive, other assets can be added if required.



Tax reporting

FNZ will send the investor a taxation report following the end of the tax year (31 March). This details income received during the tax year and any tax paid on the investor's behalf. Some of the fees charged by Consilium Wrap or the financial adviser may be tax deductible. A tax adviser will be able to assist with this.

Regular deposits and withdrawals

If investors wish to make regular deposits into their portfolio, these can be made automatically from their nominated bank account at a specified frequency. Regular withdrawals to the investor's nominated bank account can be set up in the same way. The investor can nominate up to four bank accounts to be set up against their portfolio (subject to certain conditions).

How to access Consilium Wrap

Investors must work with a financial adviser who has been approved to use Consilium Wrap. As approved advisers have an agreement with Consilium, investors are not required to have a direct wrap agreement themselves.

Advisers will guide investors through the application process for Consilium Wrap and help gather any documentation required. At a minimum, an investor will be required to provide evidence of their identity along with proof, sufficient to meet custodial requirements, of a valid New Zealand dollar bank account.

Regular reporting

The investor and the adviser can develop a tailored report schedule. Investors can view reports online, or the adviser can post physical copies.

Reporting on personal investments

Personal assets can be recorded on Consilium Wrap for reporting purposes. These may include assets held in the investor's own name, or other investments such as property or superannuation. This allows the investor to get a more complete view of their overall financial position.

How are investors protected?

Assets are held in trust for the exclusive benefit of investors, and the online client access allows investors to review their portfolio balance at any time of day. If unforeseen events were to impact the adviser, Consilium or FNZ, the value of the investors' assets would remain separate and unaffected.

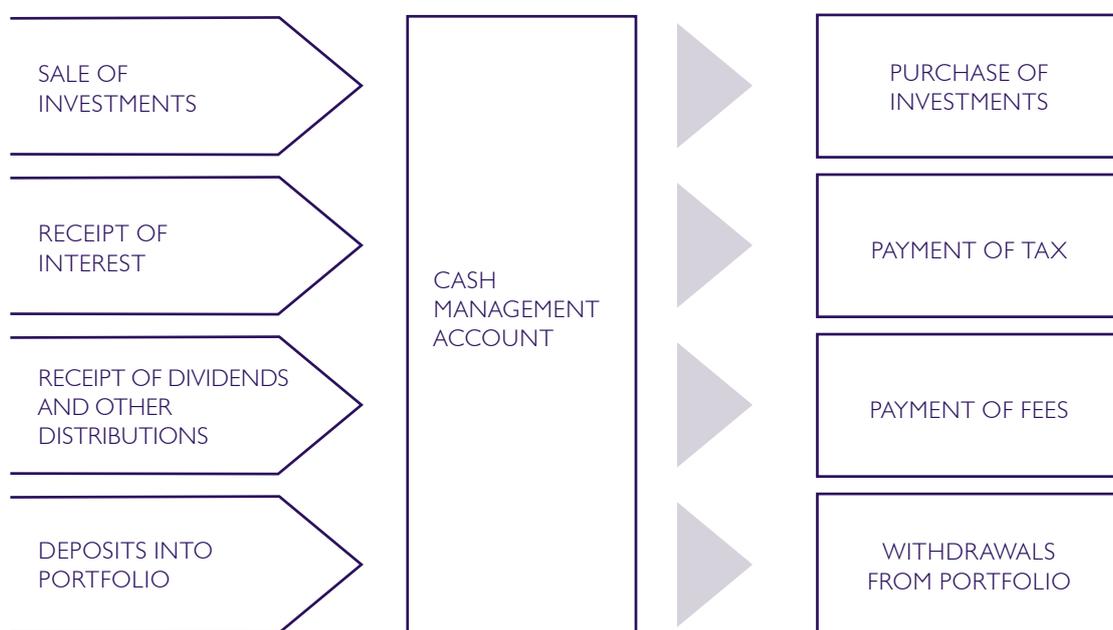
Six monthly, FNZ will report all activity in the portfolio directly to the investor. When a withdrawal is requested, the corresponding funds can only be directed to the investor's nominated bank account.

The cash management account

All cash transactions relating to the portfolio are either credited or debited to the cash management account (CMA), which forms part of the portfolio.

Examples of the types of transactions that will flow through the CMA are as follows:

Transactions flow through your CMA



Investors may also receive interest on balances in their CMA. The rate of interest will depend upon the currency in which the funds are denominated, and are subject to change.

Current interest rates are identified in FNZ's Disclosure Statement, available either from a financial adviser or through the online client access facility.



Frequently asked questions

What investments can be held?

Consilium Wrap imposes no restrictions on investments as long as they can be administered by FNZ. FNZ already provides access to approximately 11,000 different investments. It is usually straightforward to transfer existing assets on to Consilium Wrap.

Who instructs Consilium Wrap to undertake transactions?

The financial adviser will provide transaction instructions to Consilium Wrap. The investor and the financial adviser will agree on a method by which transactions are authorised.

What reports are received?

- Annual tax report from FNZ
- Six monthly custodian report directly from FNZ, detailing transactions and valuations, as required by New Zealand law
- Any additional reporting will be discussed by the investor and the financial adviser

Is there an administration fee on the cash management account?

No.

Which entity physically holds the investments?

FNZ Custodians Limited holds money and assets as trustee of a bare trust. The custodian has no authority to transact on behalf of the investor without first receiving a valid instruction from the investor, through the financial adviser.

Is there a minimum cash balance required for the cash management account?

A sufficient balance must be maintained in the cash management account to pay portfolio fees and expenses, etc. The financial adviser will assist the investor to determine an appropriate amount.



Is interest paid on the balance in the cash management account?

Interest is paid on some currencies (including NZD) in the cash management account. Interest, where applicable, is paid monthly.

Who pays the investor's tax?

Some taxes are paid on the investor's behalf and others are not. Resident and non-resident withholding tax will be deducted from interest and dividends received. For certain overseas investments, subject to the foreign investment fund rules, tax is not withheld and is calculated in the investor's end of year tax report, to assist in completing the tax return. For portfolio investment entities (PIEs), tax is calculated and paid on the investor's behalf at their nominated prescribed investor rate (PIR). Most PIE funds offer the choice of using cash or selling fund units to pay this tax.

What identification documents do investors need to provide?

The financial adviser will be able to explain exactly what documents are required. When investing through an entity such as a trust, additional documentation will be required.

Where do dividends (or other income) from investments go?

FNZ receives all income from investments (eg, dividend payments) and credits it to the cash management account. Some assets allow income to be received in the form of new investment units rather than cash. In these instances, the new units will be added to the portfolio holdings.

How does the investor withdraw funds?

The financial adviser instructs Consilium Wrap to withdraw funds to the investor's nominated bank account. The investor may have up to four different nominated bank accounts, subject to certain conditions.

How does the investor close their Consilium Wrap portfolio?

The financial adviser will guide the investor through the closure process, which may involve selling or transferring assets and withdrawing cash. This process is relatively simple.







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