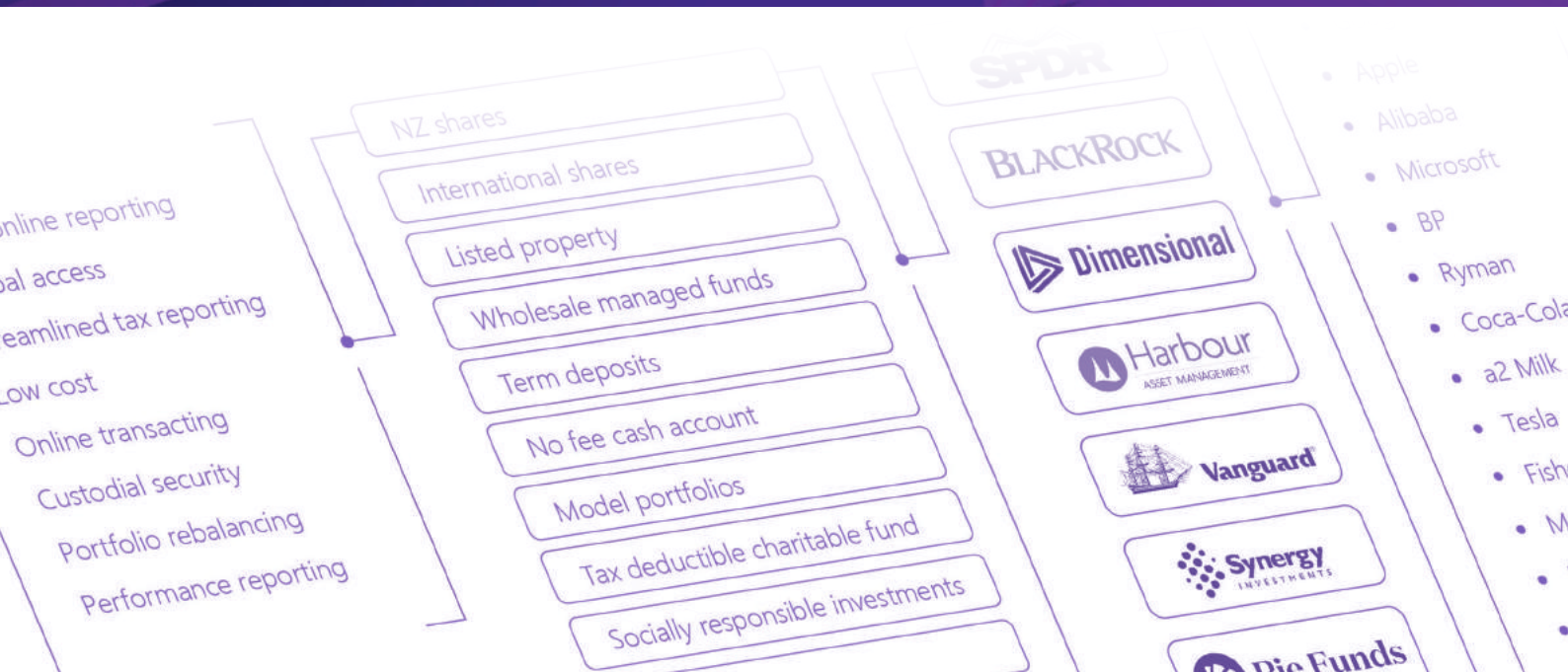


# it's a wrap<sup>+</sup>

Custodial wrap service for your investments on one easy to access platform



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

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

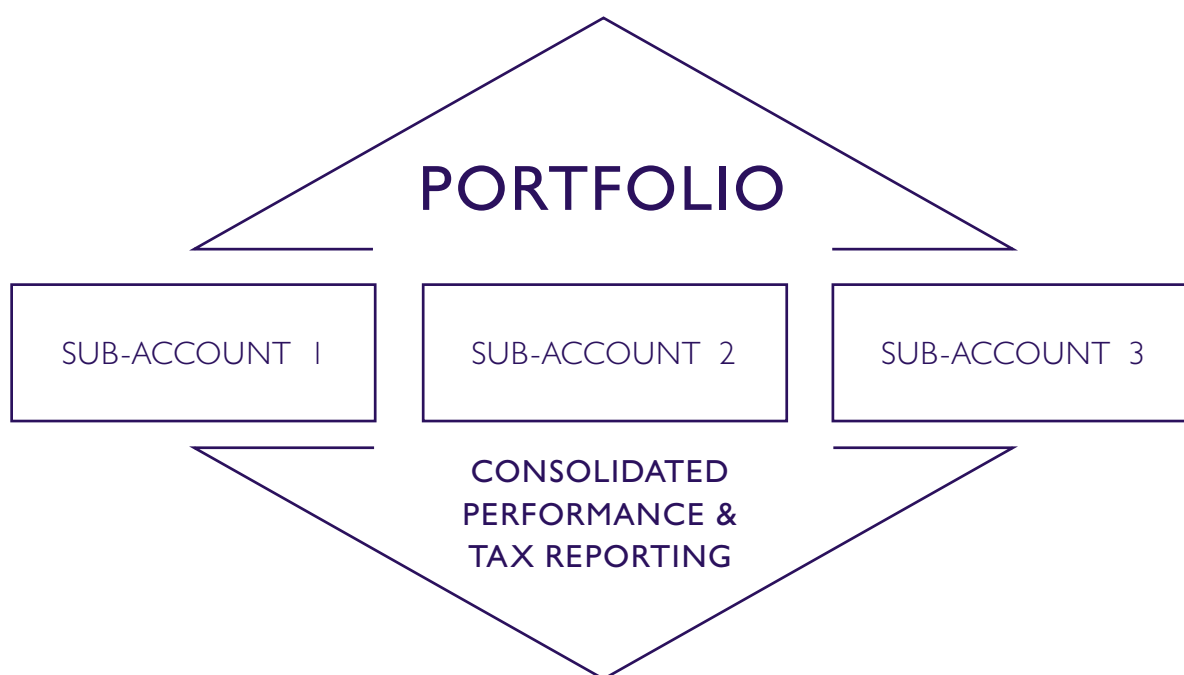
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## Sophisticated architecture

Investors can have multiple sub-accounts under one portfolio. These sub-accounts 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 sub-account, depending on which investments are held within them.

## Online access at any time

Consilium Wrap has an easy to use online 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 managed funds and listed shares, often at discounted 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 wide 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.

## 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.

## Lower costs

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

## Simplification

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

## Transparency

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



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



# How does Consilium Wrap work?

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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 with FNZ Custodians Limited 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 through FNZ Limited.

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 for FNZ Limited and FNZ Custodians Limited to process. This simplifies the administration of portfolio transactions, as investors only need to contact one person, their adviser.

## Investments and currency

Investors can invest in a large number and type of investments 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 investments can be added if required.



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## 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).

## 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 external investments

External investments can be recorded on Consilium Wrap for reporting purposes. These may include investments 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. These records are maintained by the advisers and not by Consilium, FNZ Limited or FNZ Custodians Limited. External investments do not represent assets held in custody by FNZ Custodians Limited.

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## How to access Consilium Wrap

To access Consilium Wrap, investors will work with a financial adviser who has an agreement to use Consilium Wrap. As these advisers have an agreement with Consilium, investors are not required to have a direct agreement with Consilium themselves, but will accept Terms & Conditions and Consilium Privacy Policy as part of the application process.

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 Consilium Wrap requirements, of a valid New Zealand dollar bank account.

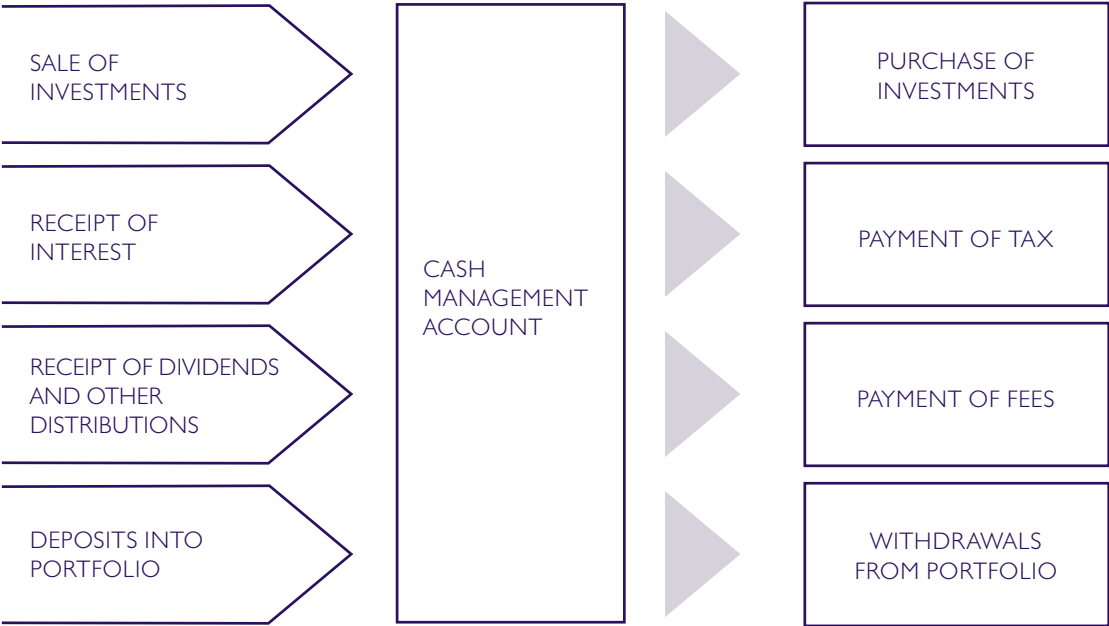


# The cash management account

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:

## Transaction 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 access facility.



# Frequently asked questions

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## 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 7,000 different investments. It is usually straightforward to transfer existing assets on to Consilium Wrap.

## How are transaction instructions given?

The financial adviser will provide transaction instructions through Consilium Wrap to the custodian and administrator. 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 agreed between 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 cash and assets as trustee of a bare trust. The custodian has no authority to transact on behalf of the investor without first receiving an instruction from the investor, through the financial adviser. The financial adviser is responsible for entering valid instructions.

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

A cash 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.



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

Interest may be 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 investments 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 and any tax payable deducted in cash from the cash management account.

## How does the investor withdraw funds?

The financial adviser creates an instruction 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 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.



# Consilium Wrap working for you

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When you open a wrap account, it becomes a single place to keep track of and manage all the different assets you hold. Consilium Wrap involves three main parties: Consilium, FNZ and FNZ Custodians.

Investor assets are held in bare trust by FNZ Custodians Limited as custodian, for the exclusive benefit of investors. Investors are entitled to a 24/7 direct login to Consilium Wrap, giving them a live view of the custodial holdings FNZ Custodians is maintaining on their behalf. This allows investors to review their portfolio balance at any time.

On a six-monthly basis, FNZ will independently report all activity in the portfolio directly to the investor.

Consilium is one of FNZ's fastest growing wrap platform partners, and the largest in New Zealand supporting independent advisers. While Consilium works to support advisers and their investors, Consilium itself is not a custodian and does not provide custodial services as part of Consilium Wrap.

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Consilium is an independent financial services specialist that champions professional financial advice and those who deliver it. Providing innovative, globally certified best practice systems and solutions, Consilium supports the quality, reputation and reach of financial advisers.

Across New Zealand, Consilium works with over 100 different firms managing over \$5 billion in assets.



FNZ partners with large financial institutions, like Consilium, to enable them to provide personalised wealth management solutions to their clients.

Founded in Wellington in 2002, FNZ is an expert at designing and building wrap platforms. It has over 3000 employees and offers other wrap platforms to institutions, serving well over eight million underlying investors with over \$700 billion globally.

FNZ is the combined brand for FNZ Custodians Limited and FNZ Limited.

For more information on Consilium Wrap, visit us at: [www.consiliumwrap.com](http://www.consiliumwrap.com)





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