



Distribution Agreement

Please tick which of our funds this Distribution Agreement will apply to:

Pathfinder KiwiSaver Funds

Pathfinder Investment Funds (Managed Funds)

Date: _____

The purpose of this agreement is to set out the terms and conditions of the relationship between Pathfinder Asset Management Limited (*Pathfinder, our, we or us*) and _____ (*Financial Advice Provider or you*) for the distribution of the Pathfinder Investment Funds and/or the Pathfinder KiwiSaver Plan as selected above (*Pathfinder Funds*) to your clients.

When the terms 'Financial Advice Provider' or 'you' are used in this agreement, these terms include:

- your advisers who are listed as Financial Advisers in the Schedule to this agreement; and
- your administrators separately nominated by you and accepted by us (*Administrators*) including those listed in the Schedule to this agreement.

When the term 'Funds' is used in this agreement, this term includes the Pathfinder Funds and/or any one of them.

The Financial Advice Provider is responsible for the conduct of its Financial Advisers and Administrators and needs to ensure (and procure) that each of them complies with this agreement.

Fund distribution

We agree that your Financial Advisers may distribute the Pathfinder Funds to your clients on the terms of this agreement.

Business and values alignment

Pathfinder's mission is to grow individual wealth and collective well-being. This is reflected in the way we run our business – including B Corp certification, Responsible Investment Association of Australasia membership, UN Principles of Responsible Investment alignment, net-zero carbon 2030 target commitment and on-going advocacy for ethical and responsible investment. It is important for us to align with businesses who support these steps we take.

We ask that you familiarise yourself with these and think about any which are appropriate for your business now or into the future.

Portal access

Financial Advisers and Administrators will have access to our systems such as our adviser web-based portal (Systems). You must promptly advise us if a Financial Adviser or Administrator leaves your employment or their role no longer requires them to have access to our Systems.

You must arrange for each client to sign our prescribed consent form (this can be done electronically or physically as set out in the Schedule below) before we will share their personal and investment information with you.



Service standards

You agree to ensure your Financial Advisers and (where appropriate) Administrators will each comply with the following:

- duties as described in section 431I to 431P in the Financial Market Act 2013;
- provide customer service, including any transfer or withdrawal request, to your KiwiSaver Funds investors;
- provide due diligence information as requested by Pathfinder;
- attend any training we may offer and request them to attend;
- read any materials or updates that we make available to you; and
- meet any training and education standards required by law or regulations.

In addition to the terms and conditions in this Agreement, you also agree to only describe a Fund to your clients in a way consistent with the most recent Product Disclosure Statement and other disclosure documents issued in relation to that Fund.

Remuneration – KiwiSaver Funds

We will pay you an one-off upfront fee, in acknowledge of the time and effort you spend, for any New Clients to whom you have provided financial advice and chosen to on board with Pathfinder. New Clients refers to any adults (aged 18 +) who have never been investors with Pathfinder Funds before. The one-off upfront fee will be \$150 for New Clients with a KiwiSaver balance that is \$5,000 or more at the time of on boarding, and \$50 for New Clients whose balance is less than \$5,000 at the time of on boarding. The one-off upfront fee starts from 1 October 2023. Payments are expected to be paid before the last day of the following month.

We will pay you commission for your clients invested in Pathfinder KiwiSaver Funds based on their invested balance at 0.25% p.a. This commission is calculated daily. Payments are expected to be paid quarterly by the last day of the following month (30 Apr, 31 Jul, 31 Oct, 31 Jan). This is a payment by us and not your clients. We will cease paying this commission in relation to a client if you or your client notify us that they no longer use your advisory services. Unless required by law or regulations, we may change the rate of commission at any time with your prior written consent.

Note that the fee and commission described above are considered GST inclusive.

Our on-line application form will give you the opportunity to charge your client an annual ongoing adviser fee, currently between 0% and 0.25%, for their Pathfinder KiwiSaver Funds invested with us. Should you require GST to be included in this fee, the fee will be considered inclusive and remain between the parameters mentioned above. Pathfinder may change the ongoing adviser fee range from time to time, and we will notify you as soon as practicable if we do this. We will not lower the upper limit (currently 0.25%) without your prior consent. This is a cost to your client and will be periodically deducted from their investment balance and paid to you. For Pathfinder members on boarded before the advice fee option became available, we need their written consent prior to charging them this ongoing fee.

You must disclose the upfront fee, commission, and on-going adviser fees, to your client and provide them with on-going financial advice. You are obliged under the KiwiSaver Act 2006 to notify the FMA about the adviser fees you charge to any KiwiSaver investor.

Remuneration – Managed Funds

For our Managed Funds our on-line portal will give you the opportunity to charge your client an annual ongoing fee, currently between 0% and 1.0%, for their funds invested with us. Should you require GST to be included in this fee, the fee will be considered inclusive and remain between the parameters mentioned above. Pathfinder may change the on-going fee range from time to time, with consideration of our investors' interest, and we will notify you as soon as practicable if we do this. We will not lower the upper limit (currently 1.0%) without your prior consent.



This is a cost to your client and will be periodically deducted from their investment balance and paid to you. You must disclose this fee to your client and provide them with on-going financial advice.

Remuneration – payment

We will pay this quarterly to your bank account set out below (or such other account you may notify to us):

Account Name _____

Bank	Branch	Account Number								Suffix								

Relationship

This is a third-party relationship between you and Pathfinder. You are not an employee, agent (except as set out in the customer due diligence section below) or partner of Pathfinder. You cannot make any representation, or enter into any agreement, on our behalf.

Customer due diligence

You agree to being our agent for the sole purpose of section 34 of the Anti-Money Laundering and Countering Financing of Terrorism Act 2009. For this purpose you agree to conduct customer due diligence and provide us with all relevant information obtained by you as part of identifying, and verifying the identity of, your clients and will immediately notify us of any issues or concerns you may have in relation to:

- the identity of a client;
- any information provided by or relating to a client;
- whether the client is a PEP; or
- any suspicious activity or reports relating to a client.

Compliance with laws

You will, and you must also procure that your Financial Advisers will, comply with all laws, regulations, guidance and all professional and other codes of conduct that apply to financial advisers and financial services businesses generally. You must maintain regulatory consents allowing you and your Advisers to advise on the products you promote to your clients. In particular, you must hold a Financial Advice Provider licence and comply with all licence conditions

Logos: Pathfinder

You must obtain our written consent prior to using our logo including in relation to any announcement, report, statement, promotional or advertising material.

Notifications

You will promptly advise us after becoming aware of any of the following:

- any claim that is made or threatened against you;
- any complaints received about the Pathfinder Funds;
- any external investigation into your or your Financial Advisors’ conduct or actions
- any breach of any law by you or an Financial Advisor; or
- a client’s prescribed consent form is no longer valid.



Termination

Either of us may terminate this Agreement for any reason by giving the other party 90 days' prior written notice. You will receive any accrued payments upon termination.

We may terminate this agreement immediately upon notice if:

- you have materially breached this agreement, and/ or your obligations under the law;
- you give us notice under the clause headed 'Notifications' and we regard the claim or breach as material;
- you do not have a licence that allows you or your Financial Advisers to provide financial advice services; or
- we are required to do so by law.

Limitation of liability

We will not be liable to you for any indirect or consequential loss suffered by you in connection with this agreement. You agree our liability for any direct loss suffered by you will be limited to the value of the Pathfinder fees received by us from your clients in the preceding 12 months.

Reasonable care

- We agree to take reasonable care when implementing the instructions you give to us.
- You agree to take reasonable care to check that all instructions you give to us are accurate.
- Where we follow any instruction received from you, you indemnify us for any error caused by you.

Communication and notices

We are permitted to rely on any communication originating from you as if it were an original signed by and on behalf of you. We can rely on your email and other electronic communications.

Contact details for each of us, including for the delivery of formal notices, are below.

Our contact details		Your contact details	
Name	Simon Leach	Name	
Postal Address	PO Box 2673, Auckland 1140	Postal Address	
Email	Simon@pathfinder.kiwi	Email	
Phone	0800 ETHICAL (384 4225)	Phone	



Fit and Proper

You agree that you and all your Financial Advisers are, and will continue to be, 'fit and proper' in accordance with financial services and other relevant law. In respect of yourself, your Financial Advisers and your Administrators, you agree to inform us now and in the future of:

- any criminal convictions (other than driving offences with a fine imposed), and
- any other matters that may reasonably impact your/their fit and proper status.

Indemnity

You agree to:

- indemnify us against any loss we may suffer as a result of your breach of this agreement;
- maintain professional indemnity insurance of not less than \$2,000,000 per claim (or such other amount we may specify to you); and
- provide us with evidence of such insurance promptly upon request by us at any time.

Assignment

We may assign some or all of our rights and obligations under this agreement to any person (and we do not need to give you notice of this). You may not assign your rights or obligations under this agreement without our prior written consent (which will not be unreasonably withheld).

Governing law and jurisdiction

This agreement and its schedules are governed by and construed under the laws of New Zealand.



Execution

Financial Advice Provider	
Name	
Title	
FSPR Number	
Signature	

Pathfinder Asset Management Limited	
Name	Simon Leach
Title	Relationship Manager
FSPR Number	34682
Signature	

Disclaimer: By typing your name above you are signing this application electronically. You agree that your electronic signature is the legal equivalent of your manual signature and confirm the information stated on this form is correct.

Schedule

Financial Adviser details:

Financial Adviser Name	FSPR #	Mobile	Email	Adviser Status Nominated Representatives or Financial Advisers

Administrator details:

Administrator's Name	Mobile	Email



Consent Form

(Only required if not an online application)

Date: _____

To: Pathfinder Asset Management Limited, Auckland

I confirm that the financial adviser named below (Financial Adviser) is both:

- *advising me*; and
- *authorised to act on my behalf* in relation to my investment and membership in the Pathfinder KiwiSaver Plan/ Pathfinder Investment Funds (together *Pathfinder Funds*), including:
 - increasing the amount of my investment;
 - requesting a full or partial withdrawal for Pathfinder Investment Funds;
 - making enquiries about the investment generally and requesting and receiving reports and other documents relating to my investment;
 - updating administrative details such as my prescribed investor rate, address and bank account; and
 - switching funds within the Pathfinder KiwiSaver Plan and/or the Pathfinder Investment Funds.

By signing below, I authorise:

- Pathfinder Asset Management Limited (*Pathfinder*) to:
 - *disclose all information* about me and my Pathfinder Funds account to my Financial Adviser,
 - *accept and act on instructions* from my Financial Adviser to manage my Pathfinder Funds account on my behalf,
 - obtain from my Financial Adviser all information about me as required by Pathfinder to fulfil its anti-money laundering, foreign tax reporting and other legal obligations in relation to my Pathfinder Funds account, and
 - pay my Financial Adviser the Advice Fee stated below from my investment balance.

I agree that the exercise by a person reasonably believed by Pathfinder to be my Financial Adviser shall be deemed to be an exercise of the powers listed above by me, until this authority is cancelled.

This instruction will remain valid until the earlier of the time that (a) I notify Pathfinder that this instruction has been cancelled or (b) my Financial Adviser notifies Pathfinder that they no longer act as my Financial Adviser.

Yours faithfully,

Name: _____

Signature: _____

Details of my Financial Adviser:

Adviser name	_____
FAP Business name	_____
Location	_____
Advice Fee	_____