

nib adviser protocols for requests to both provide Member information to a Third Party and Change a Member's Servicing Adviser

1 April 2024

Introduction

At any time you or an nib Member may request access to a Member's information or a Change of Servicing Adviser.

The purpose of this document is to provide you with clear, concise and appropriate protocols for situations where:

- A Member requests an Adviser be given access to their information where the Adviser is not the recorded Servicing Adviser
- A Member or an Adviser requests a change in Servicing Adviser, including the associated impact on the Servicing Commission stream
- An Adviser wants to sell part or all of their Member register

These protocols provide further detail around the relevant terms of the nib Intermediary Agreement. Where there is any discrepancy between these protocols and the terms of the nib Intermediary Agreement, the terms of the nib Intermediary Agreement will prevail.

The protocols are intended to ensure Members understand the alternatives available to them and the implications to the Advisers involved, and reflect the intentions of the Regulator in relation to service and privacy.

The protocols recognise the important role that you play in meeting a Member's needs at inception and throughout the Member lifecycle, and respect the contractual relationship Advisers have with nib in delivering quality Member outcomes.

The protocols came into effect from 15 March 2021 and apply to all Members other than Members of an nib Group scheme. These protocols may be updated from time to time and the most recent version will be available through your nib Adviser Partner Manager.

Definitions

For the purpose of this document, and unless otherwise specified, the following expressions bear the following meanings:

"Adviser" means any Adviser who holds an nib Intermediary Agreement or who works in a business that holds an nib Intermediary Agreement.

"Member" means the policy owner(s) of an nib-issued policy.

"Member Register" or **"Register"** means the register, or part thereof, of Members maintained by nib and identified as being serviced by the Servicing Adviser.

"Servicing Adviser" means the Adviser recorded by nib as being responsible for the servicing of the nib policies held by the Member(s).

"Commission Adviser" means the Adviser recorded by nib as being in receipt of the Servicing Commission for the nib policies.

"Servicing Commission" is the ongoing commission payable by nib to the Commission Adviser on the renewal of the policy at each annual renewal date.

1. Access to Member Information

Members or Advisers may request Member information be provided to an Adviser through:

- A Member request to nib
- An Adviser request to nib with the Member's authorisation
- A Member or an Adviser provides nib with a completed "Request to Provide Information to a Third Party/Change of Servicing Adviser" form (Appendix A)

nib will then provide information to the Adviser involved.

The Servicing Adviser will be notified of the information request.

2. Change of Servicing Adviser

There are three main scenarios in relation to a Change of Servicing Adviser that result in the transfer of a Member or group of Members between advisers:

1. Member or Adviser request in relation to a policy for an individual Member.
2. Adviser (or their representatives) request for the transfer of part or all of a Register of policies for multiple Members.
3. An Adviser adds a new benefit or life insured to a policy where the Servicing Commission is owned by another Adviser.

Advisers who do not hold or work under an nib Intermediary Agreement cannot be appointed as Servicing Adviser. It is not nib practice to grant a new nib Intermediary Agreement solely for the purpose of Servicing Adviser responsibilities.

Individual Member

Where there is agreement on the transfer of a Member between Advisers, Advisers complete the nib "Transfer of Policies" form (Appendix B). The new Servicing Adviser will be entitled to future Servicing Commission payable under the policy at the existing level of Servicing Commission from the agreed transfer date recorded on the form.

Where a "Transfer of Policies" form has not been received, the protocols for all Advisers who take on the role of Servicing Adviser in relation to a policy for an individual Member are as follows:

- (a) Any change in the Servicing Adviser will only be actioned on the basis of a specific request from the Member or their Adviser. A "Request to Provide Information to a Third Party/Change of Servicing Adviser" form (refer Appendix A) will be required in every case.
- (b) Where there is an addition of a new life insured or an addition to the benefits under a policy held by an existing nib Member originated by a new Adviser, the "Request to Provide Information to a Third Party/Change of Servicing Adviser" form will be required in relation to the existing policy.
- (c) In all cases nib will notify the existing Servicing Adviser of the change request, but will not divulge the name of the new Adviser. The notification will give the existing adviser 30 days to engage with the Member in order to retain the Servicing Adviser relationship. If within this time the Member advises nib they wish to rescind the Change of Servicing Adviser request, nib will inform the new Adviser that the change will not be effected. If not rescinded, access by the former Servicing Adviser to detailed information about the policy will cease.
- (d) Any Adviser who assumes the role of Servicing Adviser will then become responsible for the future nib relationship with the Member, including responsibility for maintaining the policy on the Member Register.
- (e) The former Servicing Adviser will continue to receive all Servicing Commission payments at the current rate that occur in the three years immediately following the date of the change in Servicing Adviser, for as long as the policy remains in force. The former Servicing Adviser will be responsible for any lapse clawback liability on commission paid to them during this three-year period.
- (f) After the three-year period has elapsed, Servicing Commission will be payable to the new Servicing Adviser at the rate applicable to the up-front commission model. The new Servicing Adviser will then be responsible for any lapse clawback liability on commission paid to them.

When a Member nominates a new Servicing Adviser who does not wish to assume the role, or does not nominate a new Servicing Adviser, or when the nominated Servicing Adviser does not have a current nib Intermediary Agreement, the Member may:

- Request that nib refer them to a local Adviser with a current nib Agreement
- Provide their nominated Adviser with "information only" access to policy information
- Deal directly with nib

When there is no new Servicing Adviser appointed, nib will transfer the Member to a Register set up specifically for such Members and Servicing Commission will cease to be paid to the former Servicing Adviser after the three-year period has elapsed.

Group of Members

The protocols for the transfer of part or all of a register of policies to a new Servicing Adviser are as follows:

- nib must approve the transfer, such approval will not be unreasonably withheld
- All transfers will be on the relevant nib "Transfer of Policies" form (Appendix B)
- The new Servicing Adviser will be entitled to future Servicing Commission payable under the policies at the existing level of Servicing Commission
- Any Adviser who assumes the role of Servicing Adviser will become responsible for the future nib relationship with the Member, including advising Members of the change of Servicing Adviser responsibility and for providing ongoing servicing to the Member.

nib does not need to sight the provisions of any buy/sell agreement, and will rely on the information and conditions in the "Transfer of Policies" form.

Appendix A – Request to provide information to a Third Party/Change of Servicing Adviser



This form must be completed when there is a request by the Member to:

- Provide information to an adviser other than the current Servicing Adviser
- Request a change to a new Servicing Adviser

MEMBER TO COMPLETE

Member name

Policy number

Date

Providing access to your policy information

You may authorise nib to provide an adviser who is not your current Servicing Adviser with access to your nib policy information (this does not change your current Servicing Adviser). To do this, please complete the following:

Tick this box

I/We authorise nib to provide information about my/our policy to the adviser noted below, but do not wish to change my/our Servicing Adviser.

Signed by Policy Owner(s)

Date

Changing your current Servicing Adviser

You can replace your current Servicing Adviser with a new Servicing Adviser who will then automatically have access to your nib policy information and receive annual renewal communication. To do this, please complete the following:

Tick this box

I/We wish to change the adviser responsible for the servicing of my/our nib policy to the adviser noted below.

I/We understand that there may be financial consequences to our current and new adviser.

Signed by Policy Owner(s)

Date

nib will advise your current Servicing Adviser that you have made the request above. Where you have checked the box to change your Servicing Adviser, nib will action this request after 30 days, after which time your current adviser will cease to have access to detailed information about your policy.

New Adviser to complete in either case

New adviser name

nib unique adviser number

Where a change in Servicing Adviser has been selected above, I accept the Member appointment and any financial considerations that are associated with being noted as the adviser for the above Member(s) policy with nib.

Signed by new adviser

Date

Please email to: advisersupport@nib.co.nz

Existing adviser

Name Company

Agency number Agreed transfer date

d	d	m	m	y	y	y	y
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List policies to be transferred or attach and initial the list of policies to be transferred

Reason for transfer

Answer only if this is a transfer of the whole book (else leave blank).

Is the agency to remain open or to be closed for new business? Open Closed

New adviser (must have an existing nib agency)

Name Company

Agency number

Important notice

This transfer will only be actioned if the seller has no outstanding debt with nib. Please note that from the effective date of transfer, the purchaser is responsible for servicing all policies transferred. The purchaser is entitled to Servicing Commissions and is responsible for cancellation commission clawbacks on the terms of their nib Intermediary Agreement. This includes clawbacks related to commissions paid to another party prior to the effective date of transfer.

The effective date of transfer is the later of the transfer date, the date a fully completed transfer form is received by nib or the date any debt owing to nib is cleared. Any Servicing Commission or clawbacks between the agreed transfer date and the effective date will be a matter between the purchasing and selling advisers.

By signing this you agree to the above important notice

Existing adviser

Signed Name

Date

d	d	m	m	y	y	y	y
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New adviser

Signed Name

Date

d	d	m	m	y	y	y	y
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Please email to: advisersupport@nib.co.nz