



1. Contract Number:

2. Parties:

- 2.1 **Lamb & Hayward Funeral Trustee Limited** ("The Company")
- 2.2 ("The Participant")
- 2.3 ("The Applicant")

3. Contract:

- 3.1 The Participant has paid to the Company's BNZ client funds account ("the Account") the sum of \$..... ("The Funds") upon trust for payment towards the cost of the funeral services in the future, for the Participant.
- 3.2 The Funds will be placed on BNZ fixed term deposit for a period of up to 6 months, through the Account (or such other account as the Company may direct) for the benefit of the Participant. Interest rates are subject to change, and are available at www.bnz.co.nz/personal-banking/investments/rates#rates-and-fees
- 3.3 The Company agrees to accept an initial minimum deposit of \$500.00 and further funds thereafter at minimum payments of \$100.00 each or greater, and further payments to be paid on the first day of each month by automatic payment to the Account. There is no maximum deposit amount that the Company will accept.
- 3.4 Resident withholding tax ("RWT"). If you don't tell us your IRD number and RWT rate, you will be taxed at 45%. If you have a current Certificate of Exemption from RWT and you have provided a copy to us, then you don't need to use this guide.

To choose your correct RWT you will need to know what your expected taxable income for this tax year will total. This amount will include pre-tax salary and wages, pre-tax interest income, net business income, and deductible expenses/losses. If you are unsure of your income, we recommend that you contact the Inland Revenue on 0800 377 774.

If you know your correct RWT rate please select 10.5%, 17.5%, 30.0%, 33% or 45.0% per annum.

Your selected RWT rate (or at any other rate as nominated by the Participant) will be deducted from any interest accruing on the Funds at annual intervals. The accrued interest (less RWT) on the Funds will be added to the Participant's balance of funds and remain in the Account, itself earning interest. The balance of funds including interest retained are then able to be applied to the funeral account.

- 3.5 No fees are charged by the Company for either set up, or ongoing administration.
- 3.6 The total balance of all accrued Funds will be applied to the funeral services for the Participant. The Participant acknowledges that they have not been provided with a fixed fee quote for future funeral services and that any quotation given is only valid for 90 days from the date of the quotation. Given the date of the funeral service is unknown, the Participant acknowledges that the cost of the funeral services may vary, to take into account any increases in costs and inflation between the date when the Funds were deposited and when the funeral services are required. To avoid any doubt, this contract is not inflation proofed. The Funds may only be released by the Company from the Account upon the Company receiving, and being satisfied with, a copy of the contract, a death certificate and a funeral services account from the funeral provider for the Participant. The Funds will be paid directly to the funeral provider. The term funeral service includes monumental expenses.

Participant/Applicant initial

- 3.7 If the balance of the Participant's Funds are insufficient to pay the total funeral services account, then the Company will prepare a statement of account for the remaining balance and forward that to the proven administrator of the Participant's estate for payment (in some circumstances this may be either the Solicitor or Executor).
- 3.8 Any balance of the Funds left after payment to the funeral provider will be paid to the proven administrator of the Participant's estate (including the Solicitor or Executor of the Participant).
- 3.9 This Contract can be cancelled at any time. Any request to cancel this Contract and to seek refund of the Funds, plus any interest earned, must be received in writing by the Company from the Participant or the Participant's lawfully appointed Solicitor or Manager. The Company may request details to verify the authority to cancel this Contract. The Funds including retained interest will be refunded to the verified person within 40 days of receiving the written request.
- 3.10 A statement of the Funds balance and tax certificate will be forwarded to the Participant on or around 31st May each year to the last given postal address. It is the responsibility of the Participant to notify the Company of any change in contact details.
- 3.11 The participant may apply for an up-to-date balance of funds held at any time by forwarding a request in writing to the Company.
- 3.12 The Funds will be held on trust by the Company until the Funds are required in accordance with the terms of this Contract
- 3.13 Prepayment funerals up to \$10,000 are currently excluded from asset testing by the government for the residential-care-subsidy. For complete details
<https://www.workandincome.govt.nz/products/a-z-benefits/residential-care-subsidy.html>
- 3.14 Where you are engaging our Services on behalf of someone, we will collect information about your relationship to that person and your authority for acting on their behalf (including your authority to provide their personal information to us, such as a copy of any Enduring Power of Attorney you are acting under).

- 3.15 As a further safeguard, the details of these Funds may be subject to annual audit and disclosure to the Funeral Directors Association of New Zealand. I acknowledge that I am aware that any loss of this investment will not be reimbursed by the Funeral Directors Association of New Zealand Incorporated.
- 3.16 The Participant acknowledges and agrees that the terms of this Contract are subject to the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 ("the Act"), including any regulations made under such Act. In order to comply with the Act, the Company is required from time-to-time to obtain or verify any documents, data or information for the purpose of carrying out due diligence on customers. For the purposes of complying with the due diligence requirements under the Act, the Participant (including any person acting on their behalf) agree to provide any data, documents or information as may be requested by the Company.

4. Privacy Policy

Privacy Act 2020: I acknowledge that you are collecting personal information about me for the purpose of establishing a prepayment funeral contract, and that this information may also be provided to the company employees or legal and other professional advisors (yours and ours). Full details of our privacy policy can be viewed at www.lambandhayward.co.nz/about-us/privacy-policy.

5. Disclaimer

The Participant acknowledges and agrees that the Account evidenced by this document will not constitute a Financial Product as specified in the Financial Markets Conduct Act 2013 ("the Act"). The information contained in this document provides general information only. The content is not intended to be investment or financial advice, and the Participant supplies the Funds entirely at their own risk and without receiving any recommendation or opinion from the Company nor from any of its directors, employees, contractors, agents or related companies.

6. Details of the Participant

Full name of Participant:

Date of Birth:

IRD No:

Address:

7. Details of the Applicant (if different from the Participant)

Full name of the Applicant:

Email Address:

Relationship to Participant:

Date of Birth:

8. Payment Details

Amount: \$.....

Date:

9. Declaration of Participant/Applicant

I have read and agree to the clauses contained in this Contract as to the depositing of funds in the Lamb & Hayward Funeral Trustee Limited BNZ client funds account.

Participant/Applicant:

**Lamb & Hayward Funeral Trustee
Limited**

Date:

Date: