

# Alan Rowell Personal Disclosure Statement (Part A)

## Contact Details

<b>Adviser Name</b>	Alan Rowell
<b>Adviser Company Name</b>	Alan Rowell Financial Services Ltd
<b>Trading As</b>	Advice Financial
<b>Mailing Address</b>	P O Box 15, Palmerston North, 4410
<b>Physical Address</b>	240 Albert Street, Palmerston North, 4414
<b>Telephone</b>	06 359 0146
<b>Mobile Phone</b>	021 432 728
<b>Facsimile</b>	06 359 4257
<b>E-mail</b>	alan.rowell@advicefinancial.co.nz

## Introduction

This document complies with the disclosure requirements under the Securities Market Act 1988 and sets out the disclosure required to be made in relation to your adviser.

This document comprises two parts A and B:

- Part A provides details which are deemed to be relevant about Alan's role as an adviser and
- Part B relates to Advice Financial, the organisation through which Alan (the adviser) is contracted.

Combined, parts A and B of this document provide you with a comprehensive disclosure statement which has important information about your Adviser, Advice Financial, and Advice Financial's relationship with Alan Rowell Financial Services Ltd, who employs Alan Rowell. It includes details of how Alan may be contacted, an outline of Alan's qualifications and experience, the services Alan is able to offer and how these services are paid for.

## Details of the Firm

Alan Rowell founded Alan Rowell Financial Services Ltd in 1988. Alan is also Managing Director and sole shareholder in the company.

Alan's relationship to Advice Financial is that of a contracted Adviser via Alan Rowell Financial Services Ltd working from the office at Palmerston North.

## Experience and Qualifications

Alan joined Advice Financial in February 2002. He is based in Palmerston North, servicing the needs of clients in Palmerston North, Manawatu, Hawkes Bay, Wanganui, Taranaki and surrounding regions.

Alan worked as an Insurance and Investment Adviser with Metroplitan Life Assurance Company NZ Ltd and Sovereign for 16 years, from 1984 to 2000. He then became a Director and Financial Planner for Broadbase Manawatu for five years.

Alan has completed the Diploma in Business Studies (Personal Financial Planning) with Massey University, and is currently studying towards a BBS in Financial Planning.

## Professional Memberships

Alan Rowell is a member of the Institute of Financial Advisers (the Institute) and complies with their Code of Ethics in all facets of his practice.

## Professional Indemnity Insurance Cover

In accordance with industry standards, and for your protection, Alan Rowell Financial Services Ltd and Alan Rowell are covered under a professional indemnity insurance. This policy includes the following covers: professional indemnity, employers and statutory liability. This policy applies when Alan Rowell acts in his professional capacity as a financial adviser. As with all insurances, these covers have limitations and are subject to certain exclusion, terms and conditions.

## Interests

The Securities Markets Act 1988 requires advisers to disclose any direct or indirect pecuniary or other interest that they may have in the giving of investment advice. In the case of Alan Rowell these are contained in Appendix 3.

## Contact Details

My business address, telephone and email address are set out on page one.

## No Criminal Convictions

In accordance with the Securities Markets Act 1988, I hereby certify that in the preceding five years neither I nor any principal officer of Alan Rowell Financial Services Ltd have been:

- a. Convicted of an offence under the Securities Act 1978, the Securities Markets Act 1988 or the Investment Advisers (Disclosure) Act 1996, or of a crime involving dishonesty (as defined in Section 2(1) of the Crimes Act 1961)
- b. A director or principal officer of a company that committed an offence under any of the Acts listed above or an offence involving dishonesty as defined above
- c. Adjudicated bankrupt
- d. Prohibited by law from taking part in the management of a company or a business
- e. The subject of an adverse finding by a court in any proceeding taken against me in my capacity as an investment adviser, or
- f. Expelled from or have been prohibited from being a member of a professional body

I also certify that Alan Rowell Financial Services Ltd has not been placed in statutory management or receivership in the preceding five years.

## Dispute Resolution Facilities

Any potential complaints are best directed to Jamie Coltman, Managing Director at Advice Financial in the first instance.

If a satisfactory resolution cannot be found, the Institute has a complaints resolution procedure for your protection. They can be contacted on (04) 499-8062 at any time during normal business hours (8.30 am to 5.00 pm) or, PO Box 5513, Level 9, Willbank House, 57 Willis St, Wellington.

# Advice Financial Disclosure Statement (Part B)

## Introduction

This document complies with the disclosure requirements under the the Securities Markets Act 1988.

This document provides you with a comprehensive disclosure statement which has important information about Advice Financial, and its relationship with your Adviser.

Your Adviser has given you this disclosure statement because you are considering working with an Advice Financial Adviser to plan your financial security. This document should be read in conjunction with Part A (Adviser's Personal Disclosure) which sets out disclosures required to be made in relation to your specific Advice Financial Adviser.

## Details of the firm

Advice Financial is the trading name of Integrate FS Ltd a nationwide, financial advisory group, operating as a limited liability company with its head office in Takapuna, Auckland. Integrate FS Ltd commenced business in 2001.

The managing director is Jamie Coltman. Jamie is also a shareholder of the company. Details of the company shareholders and other directors are available on request.

## Professional Indemnity Insurance

In accordance with industry standards, and for your protection, Advice Financial and your adviser are covered under a professional indemnity insurance. This policy includes the following covers: professional indemnity, employers and statutory liability. This policy applies when your adviser acts in his or her professional capacity as a financial adviser. As with all insurances, these covers have limitations and are subject to certain exclusion, terms and conditions.

## Contact Details

You can contact Advice Financial at P O Box 331 317, Takapuna, Auckland 0740, by phone on 0800 10 22 64 or by email at [action@advicefinancial.co.nz](mailto:action@advicefinancial.co.nz).

## The Advice Financial Process

When you work with your Advice Financial adviser, you will be taken through the six recognised steps of financial planning:

1. Meet and collect all relevant information
2. Identify client's needs, wants and goals
3. Identify and discuss problems in achieving goals and objectives
4. Prepare a written plan
5. Present and discuss the plan and implement agreed approach
6. Review progress at agreed intervals

## Products on which advice is given

Advice Financial gives advice on the following products:

- Risk products
- Life cover
- Accidental death cover
- Disability income protection
- Trauma cover
- Living insurance
- Business overheads cover
- Mortgage protection insurance
- Medical insurance
- Key person protection insurance
- Savings and investment products
- Finance company debentures & capital notes
- Superannuation and KiwiSaver
- Combined risk and savings
- Tax paid investment bonds
- Forestry
- Bank accounts and term deposits
- Cash management funds
- Unit trusts
- Group investment funds
- Property purchasing
- Syndicated property
- Venture capital opportunities
- Investment into private companies
- Mortgages
- Direct equities and fixed interest securities
- Listed and unlisted public companies
- Promissory notes
- Annuities
- Bonus bonds
- Geared investments
- Commodities

## Product Providers

A detailed list of the product providers Advice Financial has agreements with is attached as Appendix 1.

## Procedures for handling investment money or investment property

At Advice Financial we adhere to strict procedures for all premium and investment monies received from clients. All money is to be invested via cheques that need to be written out directly to the product provider/company or their nominee and should be crossed "Not transferable, Account payee only." Cash will not be converted to a bank cheque.

Advice Financial does not operate a Trust Account and no client monies are accepted, other than previously agreed for fees payable for its services.

Where clients monies are invested via a wrap account such as OneAnswer:

- The investment management service (wrap account) is provided via an independent custodian, which holds investments collectively on behalf of the client.
- All money that is to be invested (payable via cheque or direct bank transfer) is payable directly to the custodian of the wrap service as applicable.

All funds and applications received from clients will be delivered to the appropriate product supplier for processing as soon as practical after receipt from the client. All documentation and information provided will be dealt with in a confidential and secure manner.

Advice Financial's records are not formally audited, as all client payments are banked directly into the Insurer, Investment or Mortgage Company's bank account and those accounts are audited.

The records Advice Financial keeps that relate to the investment of money are:

- a. An electronic photocopy of the completed cheque and application form which is attached to the client's personal record.
- b. The details of the investment are entered on to our portfolio reporting system after an investment is made.
- c. We manually update the client's personal file with details of the investment.
- d. We provide up to date investment valuations upon request.

## Privacy

During normal working hours all clients have access to their personal file, should they wish to check the accuracy of the information.

## Remuneration received by Advice Financial

Any remuneration received by Advice Financial is used to pay the costs incurred in providing advice, eg office, staff, research and marketing costs, along with personal remuneration for your adviser.

Advice Financial and its Advisers are remunerated through the following ways: -

1. The initial meeting you have with us is FREE.
2. As with all professional organisations, Advice Financial charges its clients a fee for advisory services. Upon your instructions we will prepare a comprehensive plan which will incorporate pre-agreed areas of concern.

Our professional fees vary according to the precise nature of our engagement and will be disclosed before any work is carried out on your behalf.

The proposed basis of our charges will be explained to you before entering into an agreement and after we have completed a fact find which will make us more fully aware of the nature and scope of the work to be done.

3. If there are specific product recommendations that you choose to implement subsequently through Advice Financial, we may get remunerated by these companies. Details of commissions receivable are outlined in Appendix 2.

**Fees and commissions****a. Investment fees for wrap service clients**

Type of fee	Maximum fee payable	Timing of fees
Financial Planning Fee	Fees range from \$500 to \$5,000 depending upon complexity of work to be undertaken.	No fees will be incurred without your written consent. Planning fees are payable upon presentation of completed plan.
Entry fee	See Appendix 2	See Appendix 2
Annual monitoring fee	See Appendix 2	See Appendix 2
Fee Rebates.	See Appendix 2	
All fees will be deducted from the client's Cash Transaction Account		

**b. Investment fees for non-wrap investments**

Type of fee	Maximum fee payable	Timing of fees
Financial Planning Fee	Fees range from \$500 to \$5,000 depending upon complexity of work to be undertaken.	No fees will be incurred without your written consent. Planning fees are payable upon presentation of completed plan.
Entry fee	Lump Sums: <ul style="list-style-type: none"> <li>• \$5,000-\$25,000 5%</li> <li>• 25,000-\$100,000 2.5%</li> <li>• \$100,000 - \$250,000 1.5%</li> <li>• Above \$250,000 - 1%</li> </ul> Regular Contributions - 5%	50% up front/50% on completion of investment.  100% up front.
Annual monitoring fee	1% plus GST per annum based on funds under management.	Monthly in advance.
Fee Rebates.	In most instances, Advice Financial receive commissions and trails paid by the product provider for the funds invested by the client Details of the commissions and trails which we receive from our main product providers are detailed in appendix 2.	

2. **Fees for other services.** Advice Financial may also receive fees and/or commissions for other advice provided. Such advice may include investments, mortgages and risk insurance.

**Interests**

The Securities Markets Act 1988 requires advisers to disclose any direct or indirect pecuniary or other interest that they may have in the giving of investment advice. In the case of Integrate FS Ltd trading as Advice Financial these are contained in Appendix 3.

**No Criminal Convictions**

In accordance with the Securities Markets Act 1988, it is hereby certified that in the preceding five years no principal officer of Integrate FS Ltd trading as Advice Financial has been:

- a. Convicted of an offence under the Securities Act 1978, the Securities Markets Act 1988 or the Investment Advisers (Disclosure) Act 1996, or of a crime involving dishonesty (as defined in Section 2(1) of the Crimes Act 1961)
- b. A director or principal officer of a company that committed an offence under any of the Acts listed above or an offence involving dishonesty as defined above
- c. Adjudicated bankrupt
- d. Prohibited by law from taking part in the management of a company or a business
- e. The subject of an adverse finding by a court in any proceeding taken against me in my capacity as an investment adviser, or
- f. Expelled from or have been prohibited from being a member of a professional body

It is also certified that Integrate FS Ltd has not been placed in statutory management or receivership in the preceding five years.

### **Dispute Resolution Facilities**

Any potential complaints are best directed to Jamie Coltman, Managing Director at Advice Financial in the first instance. If a satisfactory resolution cannot be found, the dispute should be deferred to your adviser's professional body(s). See part A.

The Institute of Financial Advisers can be contacted on (04) 499-8062 at any time during normal business hours (8.30 am to 5.00 pm) or, PO Box 5513, Level 9, Willbank House, 57 Willis St, Wellington.

The Professional Advisors Association can be contacted in writing at PO Box 38-105, Wellington Mail Centre.

## APPENDIX 1 – Main Product Providers

### Investment Product Suppliers

Please note: The following is a list of our major suppliers. However, Advice Financial may place investments with almost any investment provider.

- Australian Ethical Investments
- AMP Services (NZ) Ltd
- ANZ Investment Service (NZ) Ltd
- ASB Bank Group
- Assure NZ Ltd
- AXA New Zealand
- Fisher Funds Management Ltd
- First NZ Capital
- Fund Managers Auckland Ltd
- Fund Managers Canterbury Ltd
- Hunter Hall Investment Management Ltd
- ING (NZ) Ltd
- Jacques Martin NZ Ltd
- Goldman Sachs JBWere
- LionTamer
- LM Investment Management Ltd
- Macquarie Investment Services (NZ) Ltd
- MAN Investments Ltd
- Marac Finance Ltd
- OneAnswer
- Private Portfolio Service
- South Canterbury Finance Ltd
- Tower Managed Funds Ltd
- UDC Finance Ltd

### Mortgage Product Suppliers (through our association with Kiwi Mortgage Market)

Please note: The following is a list of the major suppliers. However, through our association with Kiwi Mortgage Market, Advice Financial can arrange mortgages with all of the major mortgage providers.

- ANZ
- ASB
- Bluestone Mortgages
- General Finance
- National Bank
- Sentinel
- Sovereign Home Loans
- Southland Building Society
- Westpac

### Risk Product Providers

When it comes to risk management products, superannuation funds and insurance bonds, a detailed agency agreement is required in order to place business. Advice Financial has agency agreements for the sale of products with the following suppliers:

- AIG Life
- AMP Services (NZ) Ltd
- AON New Zealand
- Asteron Life Ltd
- AXA New Zealand
- Fidelity Life
- ING Life (NZ) Ltd
- Sovereign Assurance Ltd
- Southern Cross Healthcare
- Tower New Zealand

### Scope of Advice

Advisers at Advice Financial are able to advise their clients on the full range of investment, risk and mortgage products offered by these companies. These products may be included in retirement planning, savings and investment, children's education funds, business succession planning, life insurance, critical illness, income protection, medical insurance, term deposits, key person protection planning, group salary continuance, company superannuation and managing debt advice.

Advice Financial has also been appointed by ASB Group Investments to provide advice and service to all employers/employees who use Super Trust of New Zealand as their workplace superannuation scheme.

## APPENDIX 2 – Advice Financial Remuneration Schedules

### Investment Product Remuneration

#### 1. Investments through a Wrap Service

Type of fee	Maximum fee payable	Timing of fees
Entry fee	Lump Sums: <ul style="list-style-type: none"> <li>• 0-\$100,000 2.5%</li> <li>• \$100,000 - \$250,000 1.5%</li> <li>• Above \$250,000 - 1%</li> </ul> Regular Contributions – 5%	50% up front/50% on completion of investment.  100% up front.
Annual monitoring fee	1% plus GST per annum based on funds under management.	Monthly in advance.
Fee Rebates.	In most instances, commissions and trails paid by the product provider for the funds invested by the client will be credited to the client's Cash Transaction Account. Exceptions to this which apply to your investments will be detailed when presenting you with recommendations.	
All fees will be deducted from the client's Cash Transaction Account		

#### Notes:

- Where the client's investment is placed into the OneAnswer account management service the OneAnswer fees and commission replace the fee/commission schedules applicable to the individual products.
- OneAnswer fees will be deducted from the client's Cash Transaction Account monthly. In addition, a custodial fee of up to of 0.35% p.a. will be deducted from the client's Cash Transaction Account on a monthly basis and is payable directly to the wrap service provider. The custodial fee may reduce depending on the portfolio size and wrap service provider utilised.
- Fee Rebates. In most instances, commissions and trails paid by the product provider for the funds invested by the Client will be credited to the Client's Cash Transaction Account. This will be determined once Advice Financial is more aware of the nature and scope of the engagement.
- A stepped volume rebate on the OneAnswer administration and custodial fee of between 0.025% and 0.10% is payable to Advice Financial. The rebate is calculated on the volume of business placed in ING products held in custody through OneAnswer. The percentage applicable depends on the total volume of business in OneAnswer.

#### 2. Investments placed outside of a wrap service

Advice Financial is eligible to receive commissions on the following products according to the schedule below. Unless otherwise indicated, the maximum initial commission rate will be 4% of the amount of funds invested.

Please Note: these are our current maximum rates and may not apply to your particular investment programme. Specific commission rates related to your investment programme will be disclosed separately in writing to you prior to investments being placed.

Product provider	Product	Max. initial commission as a % of each investment made (See Note 1 Below)	Ongoing p.a. commission as a % of total value of investment
<b>Listed direct shares and fixed interest</b>			
Note: These are <i>not</i> in addition to the standard brokerage payable to the product provider. All brokerage payable to the supplier is deducted from the clients account prior to settlement.			
First NZ Capital		0.25% per trade	Nil
<b>Managed Funds</b>			
Note: Unless otherwise indicated all initial commissions are deducted from the client's investment. All ongoing commission is paid from the fees published in the respective Product Disclosure Statement and/or Investment Statement.			
AMP Capital Investors Ltd	AMP Capital Enhanced Yield Fund	3.00	Nil
AMP Services (NZ) Ltd	AMP KiwiSaver	Nil	0.25

Product provider	Product	Max. initial commission as a % of each investment made (See Note 1 Below)	Ongoing p.a. commission as a % of total value of investment
ANZ Investment Services (NZ) Ltd	ANZ Ascent World Bond Fund ANZ Ascent World Equity Trust	5.00 5.00	0.25 0.25
ASB Bank Group/Jacques Martin NZ Ltd	SuperTrust of New Zealand  FirstChoice KiwiSaver	\$80 (note this is not deducted from a clients account) Tracker funds - \$50 Active funds - Nil	Nil  Nil 0.2
Australian Ethical Investments	Australian Ethical Unit Trusts	5.00	Nil
AXA New Zealand	AXA Australasian Selected Equities Fund AXA Wholesale Global Value Equity Trust Axa KiwiSaver	5.00 5.00 Nil	0.25 Nil 0.25
Fisher Funds Management Ltd	Unit Trusts	5.00	Nil
Fund Managers Auckland Ltd	Auckland Mortgage Trust	Nil	0.50
Fund Managers Canterbury Ltd	Canterbury Mortgage Trust	Nil	0.50
Hunter Hall Investment Management Ltd	Hunter Hall Global Ethical Fund Hunter Hall Value Growth Trust	5.00 5.00	0.25 Nil
ING (NZ) Ltd	ING Diversified Yield Fund ING Regular Income Fund ING 90 day Credit Opportunities Fund ING 90 day Enhanced Yield Fund ING Equity Selection Fund Other ING unit trust and superannuation funds	5.00 for all products	0.50 0.50 0.50  0.40  0.35 0.25
LM Investment Management Ltd	LM First Mortgage Fund	Nil	1.00
Macquarie Investment Services (NZ) Ltd	Macquarie Gilt age Access Account	Nil	0.30
National Bank of New Zealand	Thoroughbred Cash Fund	Nil	0.15
New Zealand Guardian Trust Ltd	NZ Guardian Trust - Cash	Nil	0.25
Private Portfolio Service (PPS)	PPS Mortgage Fund All other PPS unit trusts and superannuation funds	5.00 5.00	0.50 1.00
Tower Managed Funds Ltd	Tower GAM Multi Trading Fund KiwiPlan - KiwiSaver	5.00 Nil	0.25 0.25
Superannuation Investment Ltd (SIL)	SIL - KiwiSaver	Nil	0.25
<b>Specialty products</b>			
Note: these commissions are not deducted from the client's investment			
LionTamer	Various closed ended funds	5.00	Nil
Man Investments Ltd	OM-IP Funds	5.00	0.50
<b>Fixed interest debentures</b>			
Note these commissions are not deducted from the client's investment			
MARAC Finance Ltd	Secured debentures - 12 months Secured debentures - 18 months Secured debentures - 24 months	0.50 0.75 1.00	Nil Nil Nil
South Canterbury Finance Ltd	Secured debentures - 12 months Secured debentures - 18 months Secured debentures - 24 months	0.50 0.75 1.00	Nil Nil Nil

Product provider	Product	Max. initial commission as a % of each investment made (See Note 1 Below)	Ongoing p.a. commission as a % of total value of investment
UDC Finance Ltd	Secured debentures – 12 months	0.25	Nil
	Secured debentures – 18 months	0.375	Nil
	Secured debentures – 24 months	0.50	Nil

NOTE 1. The maximum initial commissions shown in the table above apply to regular and lump sum investments less than \$25,000. For lump sum investments greater than \$25,000 our initial entry fees are defined on page 5.

### Risk Product Commissions

Product	Product Provider	Maximum first year commission as a % of annual premium	Ongoing % of annual premium
Risk products including medical insurance, term life, income protection, trauma and total permanent disablement.	AIA New Zealand	150	4.0
	AMP Life Limited	150	5.0
	Asteron Life Limited	120	5.0
	AXA New Zealand	158	5.0
	ING Life Limited	150	7.5
	Sovereign Assurance Limited	158	7.5
	Tower Health & Life Limited	150	5.0
Medical	Southern Cross	20	20

### Mortgage Product Commissions

Lender	Maximum Initial Commission	Ongoing Commission
ANZ	0.65%	Nil
ASB	0.70%	
Bluestone Mortgages		
Specialist Loan	2.0%	Nil
Lo Doc Loans	0.60%	0.30%
Equity Tap	2.25%	Nil
General Finance	0.65%	Nil
National Bank	0.70%	Nil
Sentinel	\$200.00 plus 1.5% of drawn balance	Nil
Sovereign Home Loans	0.55%	0.2%
Southland Building Society	0.60%	Nil
Westpac	0.65%	Nil

In addition to the above, Integrate FS Ltd trading as Advice Financial may be eligible for bonus payments from certain product providers.

From time to time, advisers may also receive other non-monetary benefits offered by the product suppliers, including, but not limited to, prizes, subsidised attendance at conferences and promotional support.

### Non-monetary rewards from Product Providers.

From time to time, Advice Financial may receive certain non-monetary benefits from product providers. This could include gratuities such as a bottle of wine at Christmas time, a free calendar, pen or book, the occasional luncheon, drinks after a briefing session, invitations to sporting events.

ING New Zealand Ltd runs an annual conference for advisers. If we attend, we pay for our transport and accommodation, ING provides the content and meals.

With insurance companies, we will be eligible to participate in their 'reward and remuneration' sales programmes. The programmes may include points-based rewards programmes which can be exchanged for non-monetary rewards, attendance at international sales conferences and other non-monetary rewards.

In addition, from time to time insurance companies run 'sales incentive programmes' or 'campaigns.' If our clients' insurance applications in that time period do result in us receiving a 'prize', we will accept the prize. Such prizes can vary in value from movie tickets to overseas travel and accommodation.

Advice Financial may also receive financial assistance from product providers to help fund the Advice Financial semi-annual adviser conference.

### **Appendix 3 – Interests Register**

In accordance with the Securities Markets Act 1988, I disclose the following actual and potential conflicts of interest that could possibly have some relevance in providing investment advice to you.

#### **Adviser Interests**

Alan is a director and shareholder of Alan Rowell Financial Services Ltd

#### **Advice Financial Interests**

Managing Director Jamie Coltman is Director and Shareholder of Integrate FS Ltd which trades as Advice Financial.

## Client Acknowledgement

Please sign and date this acknowledgement, confirming you have received both Part A (Adviser) and Part B (Company) Disclosure Statements.

The undersigned acknowledges that they have received an Advice Financial Disclosure Statement and Adviser Personal Disclosure Statement in relation to Advice Financial and Alan Rowell, their Adviser.

Client1 (Signature) .....

Client1 Name: .....

Client2 (Signature).....

Client2 Name: .....

Date .....

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