



Primary Disclosure Statement (Authorised Financial Adviser)

Name and registration number of Tania Delwyn(Del) Alison Smith,

Authorised Financial Adviser: **FSP 229245**

Address: 36 Spring Street
PO Box 13020
Tauranga 3141

Trading name: FANZ Private Wealth

Telephone number: 0800 727 2265

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This disclosure statement was prepared on: 1st June 2015

It is important that you read this document

This information will help you to choose a financial adviser that best suits your needs. It will also provide some useful information about the financial adviser that you choose.

In addition to the information that I must disclose to you in this statement, I must also disclose other information to you in a separate disclosure statement (or statements), including information about the types of services that I provide, the fees that I charge, and any actual or potential conflicts of interest. If I have not provided that information to you at the same time as I give you this statement, I must provide it to you as soon as I can.

What sort of adviser am I?

I am an Authorised Financial Adviser. This means I have been authorised by the Financial Markets Authority (the government agency that monitors financial advisers) to provide the financial adviser services described below.

How can I help you?

I have been authorised to provide you with financial adviser services of the following categories:

- financial advice
- investment planning services

When I do this, I will be able to give you advice/provide a service about:

- financial products provided by only 1 organisation
- financial products provided by a small number of organisations (2 to 5 organisations)
- financial products provided by a broad range of organisations (more than 5 organisations).

How do I get paid for the services that I provide to you?

Payment Type	Description
<input type="checkbox"/> Fees only	My services are only paid for by the fees that you pay. I do not receive payments from other people or organisations that might influence my advice.
<input checked="" type="checkbox"/> Fees	My services are paid for by the fees that you pay as well as in other ways.
<input type="checkbox"/> Commissions	There are situations in which my employer and I will be paid by other organisations. How much that payment will be depends on the decisions that you make.
<input type="checkbox"/> Extra payments from my employer	I may receive extra payments from my employer depending on the decisions that you make.
<input type="checkbox"/> Non-financial benefits from other organisations	Other organisations may give my employer and me non-financial benefits depending on the decisions that you make.

I am required to tell you the specific fees, commissions, extra payments, and other benefits that I have received or will, or may, receive in relation to the services that I provide to you. I must tell you these things before I give you advice/provide a service or, if that is not practicable, as soon as practicable after I give you that advice/provide that service.

What are my obligations?

As an Authorised Financial Adviser, I must comply with the Code of Professional Conduct for Authorised Financial Advisers. I also have other obligations under the Financial Advisers Act 2008 (including regulations made under that Act) and under the general law.

What should you do if something goes wrong?

If you have a problem, concern, or complaint about any part of my service, please tell my internal complaints scheme so that my internal complaints scheme can try to fix the problem.

You may contact the internal complaints scheme by contacting:

The Executive Director
FANZ Private Wealth
PO Box 5038
Papanui
Christchurch

Or by phoning (03) 963 4916

If we cannot agree on how to fix the issue, or if you decide not to use the internal complaints scheme, you can contact the Banking Ombudsman. This service will cost you nothing, and will help us resolve any disagreements.

You can contact the Banking Ombudsman at:

Address: Freepost 218002
PO Box 10573
The Terrace
Wellington 6143

Telephone number: 0800 805 950

Email address: help@bankomb.org.nz

If you need to know more, where can you get more information?

If you have a question about anything in this disclosure statement or you would like to know anything more about me, please ask me.

If you have a question about financial advisers generally, you can contact the Financial Markets Authority.

How am I regulated by the Government?

You can check that I am a registered financial services provider and an Authorised Financial Adviser at <http://www.fspr.govt.nz>.

The Financial Markets Authority authorises and regulates financial advisers. Contact the Financial Markets Authority for more information, including financial tips and warnings.

You can report information or complain about my conduct to the Financial Markets Authority, but in the event of a disagreement, you may choose to first use the dispute resolution procedures described above under (**What should you do if something goes wrong?**).

Declaration

I, Tania Delwyn (Del) Alison Smith, declare that, to the best of my knowledge and belief, the information contained in this disclosure statement is true and complete and complies with the disclosure requirements in the Financial Advisers Act 2008 and the Financial Advisers (Disclosure) Regulations 2010.

Signed:
(Signature is excluded but signed when provided to clients upon account opening)



Secondary disclosure statement (Authorised Financial Adviser)

Name and registration number of Authorised Financial Adviser: Tania Delwyn (Del) Alison Smith

Address: 36 Spring Street,
PO Box 13020
Tauranga 3141

Trading name: FANZ Private Wealth. FANZ Private Wealth is an operating division of Funds Administration New Zealand Limited ("FANZ"). FANZ is registered as a financial service provider under the Financial Service Providers (Registration and Dispute Resolution) Act 2008. FANZ is a subsidiary of the Southland Building Society.

Telephone number: 0800 727 2265

Email address: delwyn.smith@sbsbank.co.nz

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Experience and qualifications

I have over 25 years' experience within financial services. Details of this experience include the following:

1. I started working for Funds Administration New Zealand (FANZ) in July 2012. I am a salaried employee.
2. Prior to joining Funds Administration New Zealand (FANZ) I held the position of Senior Investment Consultant for SBS Bank. I worked for SBS Bank for 6 years.
3. I held various managerial positions within Lloyds Bank (United Kingdom) over a 12 year period. My last position I held with Lloyds Bank was Premier Manager.

My relevant qualifications include the following:

1. I have completed my National Certificate in Financial Services (Level 5) through Adviserlink, which is an NZQA training provider. This qualification was awarded in July 2012.

Continuing education is a priority for all FANZ Private Wealth staff. All staff, including myself, complete a minimum of 20 continuing education hours every year. I regularly attend in-house training days, fund manager briefings and industry conferences. I also keep up to date with changes to the Code of Professional Conduct for Authorised Financial Advisers and relevant consumer laws such as the Fair Trading Act 1986.

Professional bodies

I am not a member of any professional organisation

Basis of advice

When I give advice, I follow a seven step process:

1. Establish the client adviser relationship
2. Gather client data and determine client goals and expectations
3. Analyse and evaluate the client's position
4. Develop and present written advice
5. Oversee the implementation of written advice
6. Monitor and review on an on going basis.
7. Working with people that are introduced by existing clients so that their financial objectives may also be achieved.

This can require a series of meetings with a prospective client before my advice is finalised. It also means I maintain a close ongoing relationship with clients, regularly reviewing progress and working with them over time to ensure their goals can be achieved.

My advice will take account of your personal objectives, financial situation and needs. It will be clear and concise, with enough detail for you to make an informed decision about whether to act on it.

Scope of service

I provide the following types of financial adviser services:

- financial advice
- investment planning services.

I provide advice in the following subject areas:

- investment portfolio design, implementation and monitoring
- cash flow management
- KiwiSaver (Class Advice)

I do not provide advice on:

- insurance and risk management
- loans and debt management
- budgeting
- estate and will planning
- trusts
- tax planning
- investments in property, corporate bonds, equities or finance company debentures

I also assist clients who invest through one of our DIMS solutions with custody arrangements for investments held outside those solutions through our Asset Reporting Service, although I do not provide any financial adviser services in relation to those investments.

Should you require services outside my scope of service I may be able to refer you to a person or entity that may be able to provide the service(s) you may require.

The services I provide will depend on your needs and may include any or all of the services detailed in this disclosure statement.

Two of the services that I am able to access for the benefit of my clients are the discretionary investment management services (or DIMS) known as the Synergy Investment Programme and the FANZ Private Wealth Investment Portfolios.

Both the FANZ Private Wealth Investment Portfolios and Synergy are provided by Funds Administration New Zealand Limited (FANZ) as the DIMS licensee. FANZ contracts Consilium to provide investment research and related services to assist with the design and management of Synergy, under a joint venture arrangement. FANZ Private Wealth is an operating division of FANZ, my employer.

As such, in my financial adviser role, I am not involved in making investment decisions regarding the composition or mix of investment portfolios within Synergy or the FANZ Private Wealth Investment Portfolios, although I am a member of the investment committee for both DIMS solutions. I use Synergy to invest investment portfolios up to \$250,000 and the FANZ Private Wealth Investment Portfolios for investment amounts over \$250,000.

FNZ Limited is the independent custodian of Synergy and AEGIS is the Independent custodian of the FANZ Private Wealth Investment Portfolios, as well as our Asset Reporting Service, and are not associated with me or FANZ. Investments held on behalf of my clients through Synergy and the FANZ Private Wealth Investment Portfolios are placed with the organisation invested in, through FNZ or AEGIS respectively.

It is important to note that FANZ is also the manager of the Lifestages range of unit trusts and the Lifestages KiwiSaver Scheme and as such also earns management fees from these products. Details of these products and the relevant fees can be found in the relevant investment statement.

If you have more than \$1,000,000 to invest, we are happy to discuss your needs but it is likely those needs will best be able to be serviced by our joint venture partner Staples Rodway Asset Management (SRAM). SRAM specialises in looking after investors with more than \$1,000,000 to invest. We are happy to recommend an appropriate specialist for you.

Fees

FANZ Private Wealth is a fee only business. With the exception of underwriting fees (see below under the heading 'Other interests or relationships') it only earns revenue from fees paid by clients (or deducted from clients' portfolios) and does not earn revenue from brokerage or commission. Please refer to the relevant Synergy and or FANZ Private Wealth DIMS documents and our Asset Reporting Service guide for details of the fees charged by FANZ for these Services.

In relation to my clients who I assist to invest through Synergy and/or the FANZ Private Wealth Portfolios, I may charge up to 1.40% per annum plus GST for my adviser service, based on the average value of a client's investment and deducted quarterly in arrears. In addition, I may also charge an implementation fee of up to 0.70% of the total amount invested by a client, which will be deducted from each amount my clients invest, prior to investment in the portfolios. The actual implementation fee charged is subject to individual negotiation with my clients, and is typically set at 0.70% or 0.25% if the client already has business with FANZ or SBS Bank. Neither FANZ nor Consilium pay any form of commission in relation to investments made through Synergy or through the FANZ Private Wealth Portfolios, with the fees described either paid direct from my clients or deducted from clients' portfolios. These fees are payable to FANZ Private Wealth.

The proportion of my remuneration attributable to business placed with Synergy and FANZ Private Wealth Investment Portfolios will vary from year to year, but typically I would expect this aspect of my business to constitute 15% of my overall remuneration.

I do not have any conflicts of interest in placing business with Synergy and FANZ Private Wealth Investment Portfolios, over and above the fees payable by agreement with my clients in relation to this business. My employer does not expect to be paid any other remuneration from any person for the business that I place with Synergy, and investments made through Synergy are not placed with any product provided by FANZ. However, FANZ will benefit from the management fees it charges in relation to investments made through the FANZ Private Wealth Investment Portfolios that are placed with the Lifestages range of unit trusts. Refer to the FANZ Private Wealth Investment Portfolios documents for further details.

Remuneration

Salary and bonus

I am remunerated by way of a salary and bonus structure from my employer, FANZ. My salary and bonus structure is not related to the provision of financial adviser services to clients but rather is in line with how the overall business fares in combination with the continued sound operation of FANZ and FANZ Private Wealth.

"Soft dollar" arrangements

Soft dollar arrangements are brokerage service commissions or manager fee rebates that are paid by managers of investment providers when funds are invested with them as well as overseas trips, gifts, goods and sponsorship. Except to the

limited extent set out below, FANZ has a policy not to accept any soft dollar arrangements.

With respect to trail commissions, brokerage, and/or manager rebates it is FANZ's policy to rebate these 100% back to investors.

FANZ Private Wealth has adopted a policy for gifts and gratuities that aims to prevent improper influences on the decisions and recommendations its advisers make.

Management and staff of FANZ may provide and accept gifts and gratuities within the following guidelines. The overriding philosophy is that professional integrity and honesty is to be maintained at all times. Compliance with the letter and the spirit of New Zealand laws and regulations is a mandatory element to FANZ's operations enhanced by personal and corporate integrity. Business decisions of clients and suppliers should not be unduly influenced by gifts beyond relationship building activity, nor should management and staff decision making.

Provision of gifts

Management may incur expenditure for corporate gifts and gratuities within the total business development budget contained in the approved annual operating plan.

Acceptance of gifts

1. Staff may accept gifts with a retail value of less than \$50 without approval
2. Gifts with a retail value of \$50 or more but less than \$150 must be approved by management (managers may accept gifts to \$150)
3. Gifts with a retail value above \$150 must be approved by FANZ's Chairman
4. Gifts to management's spouses including entertainment and travel with a retail value above \$100 must be approved by FANZ's Chairman.

Personal benefits

Where a staff or related party personal benefit, valued beyond the limitations imposed by the "Acceptance of Gifts" policy, is accrued or enjoyed beyond normal business activity, prior approval from an individual's manager or supervisor must be obtained.

Overseas Travel

No staff member of FANZ may travel overseas on company business without the approval of the Chairman of FANZ.

Other interests or relationships

I do not have any preferential terms (other than those readily offered to other market participants) or production performance agreements with any particular product provider.

Except as otherwise disclosed in this document, I do not have any financial or other interest, relationship, or association that a reasonable client would find reasonably likely to influence me in providing financial adviser services.

In some cases, FANZ may receive an underwriting fee for the purchase of certain bonds and shares from time to time when they are being sold on the primary market.

Professional Indemnity Insurance Nature and Scope

I do not personally have professional indemnity insurance. However, FANZ holds professional indemnity insurance and is covered under SBS Bank's "Bankers' Blanket Bond". The scope of the cover under this global insurance programme is comprehensive and includes:

- dishonest or fraudulent acts of employees
- loss of or damage to "property"¹ at premises
- loss of or damage to "property" while in transit
- forgery, fraud or electronic computer crime
- counterfeit currency
- professional indemnity, i.e. liability to third parties for breach of professional duty in the conduct of FANZ's business as a result of negligent act, error or omission, libel or slander, unintentional, misleading or deceptive conduct, or loss of subscription privileges.

¹ "Property" is widely defined to refer to financial assets including cash, stock certificates, bonds, securities, cheques, and bills of exchange, drafts, CD's, bills of lading and a wide range of other financial documents.

The underwriter of the Bankers' Blanket Bond is QBE Insurance.