

# SECONDARY DISCLOSURE STATEMENT

(Authorised Financial Adviser)

## **Name and Registration Number of Authorised Financial Adviser**

**Adviser:** David Taine Stedman, FSP 72301  
**Address:** 59 Apollo Drive, North Shore, Auckland 0632  
**Trading name:** Stedman Financial Services  
**Telephone number:** 09 215 9538  
**Fax number:** 09 414 4410  
**Email address:** david@stedman.co.nz

**This disclosure statement was prepared on: 26<sup>th</sup> Feb 2019**

**It is important that you read this document**

## **My experience and qualifications**

I am an Authorised Financial Adviser and have completed the National Certificate in Financial Services (Level 5) qualification

I have been a financial adviser since 2010, and give advice on many areas of risk insurance (life insurance, trauma insurance, medical insurance, income protection, business insurance etc.) and also retirement/superannuation savings.

I keep my qualifications up-to-date through continuing education (consisting of seminars, technical briefings, product accreditation and conference workshops) for a minimum of twenty hours per year and sixty hours of continuing professional development every two years. This includes keeping 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.

## **How I Operate**

When I give advice I follow the internationally recognised six-step process:

1. Establishing the client-adviser relationship between us.
2. Gathering information and determining (as you and I consider necessary) your goals and expectations.
3. Analysing (as far as we determine) your current financial position, personal and/or business insurances and retirement savings – in the areas we have agreed I will provide advice on.
4. Developing and presenting advice.
5. Overseeing the implementation of the plan – as agreed with you.
6. Monitoring and reviewing the plan – as necessary and agreed between us.

This can require a series of meetings before our advice is finalised. It also means I will maintain an ongoing relationship with you, reviewing progress and working with you over time to ensure your goals can be met. The services I provide will depend on your needs. They may include any or all of those detailed in this Disclosure Statement.

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.

## **Professional Indemnity Insurance**

I have professional indemnity insurance which covers all my areas of practice as listed above. The underwriter for this insurance is NZI Insurance. As with all insurance, this cover has limitations and is subject to certain exclusions and terms and conditions.

## **Services and Products I provide**

*I provide the following types of financial adviser services:*

- 1) Financial advice
- 2) Investment planning services

*I provide advice in the following subject areas:*

Risk Management:- Life Insurance, Trauma Insurance, Health Insurance, Business Insurance etc

Retirement Savings:- Current superannuation plans of my clients, and existing and new KiwiSaver plans

*The financial adviser services I provide are in relation to the following financial products:*

- 1) Personal and business risk (insurance) management.
- 2) Retirement savings.
- 3) Lump-sum investments.

I only give advice in the particular subject areas set out above. I may generally discuss other areas of your financial situation, but will recommend you seek any specific advice in those areas from appropriately qualified professionals.

I only provide financial adviser services in respect of financial products provided by:

- ACCURO
- AIA
- Asteron Life
- AMP/AXA
- Booster
- Fidelity
- Fisher Funds
- NIB
- OnePath
- Partners Life
- Southern Cross
- Sovereign

## **Fees**

I do not charge any fees for the financial adviser service I provide to you. The only remuneration I receive is from commissions paid by product providers.

## **Other interests and relationships**

Like many other advisers, I am a member of a group of advisers, who pool their resources to gain benefits in product knowledge/seminars on a wide range of industry issues/assistance with compliance obligations/remuneration terms with various suppliers etc. The group I am associated with is mySolutions Ltd. It provides a wide range of services to the group, including negotiating favourable terms with a range of suppliers in the industry.

I do not have any preferential terms. I do not have any commercial relationships or contractual arrangements that present any particular conflicts of interest to consumers generally which would be reasonably likely to materially influence me in providing the financial adviser service.

## Remuneration

I will or may receive remuneration from the following sources:

**Name:** ACCURO, AIA, ASTERON Life AXA/AMP, Fidelity, NIB, OnePath, Partners Life, Southern Cross, Sovereign

**Amount or rate:** Initial commission. (commission received when initially placing business with a supplier).

100% of net (after GST and policy fees) annual premium for all insurance products. 30% of net annual premium for investment products.

Production bonus. (commission received based on level of production achieved).

Currently 80% of the net annual premium for insurance products, and 80% of the commission received for investment products. 100% of the initial commission and production bonus is forfeited if a policy is cancelled in the first year, and 50% if cancelled in the second year.

Service commission. (commission received for ongoing service of a client's policy).

5% of the net annual premium, after the first year of a policy (rising to 10% after 3 years of a policy's life) for insurance products, and 2.50% of the net annual premium for investment products.

Trail commission. (commission based on total investment funds under management).

1.4% for Superplan contracts, and 0.09% for other plans.

**Name:** Booster

**Amount or rate:** Initial commission. (commission received when initially placing business with a supplier).

\$30.00 for each KiwiSaver plan submitted. This is only paid approximately 15 months after submission of the application, and only if the plan is still with Booster.

Trail commission. (commission based on total investment funds under management).

0.5% of the funds under management.

*Arrangements to manage any conflict of interest arising:*

I choose Booster to manage the KiwiSaver accounts of my clients because of their excellent investment processes, performance, and good client communications.

Unless there is a specific reason for doing so, I do not use other providers for KiwiSaver.

I may also receive non-cash additional rewards from the product providers I choose to use for my clients. I may receive benefits in the form of entertainment (e.g. rugby and concert tickets, golf days, etc), subsidised professional development (e.g. below actual cost conference attendance, subsidised cost training courses, etc), or office supplies (e.g. notepads, pens, etc). I may also be able to qualify (depending on levels of production) for free or subsidised company conferences and associated travel etc.

It is important to note that this remuneration as detailed above, is all the "gross" remuneration I receive. From that gross remuneration, I must pay tax and for all the expenses of my business, office and staff expenses, authorisation and compliance expenses, printing and stationary, postage and telecommunication expenses, vehicle expenses, etc.

## Other information about me and the services I provide

The Financial Markets Authority has placed no additional terms and conditions on my authorisation.