

## Secondary Disclosure Statement (Authorised Financial Adviser)

### Contact Details

Name and registration number of Authorised Financial Adviser: Michael Dowling  
FSP 70082

Address: Level 8, 114 The Terrace Wellington

Trading name: Stratus Financial Services Limited

Telephone number: 04 499 6500

Fax number: 04 499 1267

Email address: [Michael@stratusnz.nz](mailto:Michael@stratusnz.nz)

This disclosure statement was prepared on: 1 November 2019

### Services I provide financial adviser services on

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

- Financial Advice
- Investment planning services

### Financial products I provide financial adviser services on

Types of financial service I provide financial adviser services on:

I provide financial adviser services in respect of the following types of financial products:

- Unit Trusts
- Superannuation (including KiwiSaver)
- Share and Bond Portfolios
- Term Deposits
- Life Insurance Policies

I am only permitted to provide financial adviser services in respect of those products on the Wealthpoint Approved Products List that I have accreditation for under the terms of my Wealthpoint Practising Certificate. The list of products I have accreditation for is shown in Appendix A.

I may also, on request, provide financial adviser services in relation to advice. Such financial adviser services are provided independently of my relationship with Wealthpoint and will not include the sale of products outside of the Wealthpoint Approved Product List.

*Product provider's financial products I provide financial adviser services on*

A list of product providers of the financial products in respect of which I may provide financial adviser services is included in the list attached in Appendix A.

## Relevant Fees

### Advice and Report Preparation Fees

Stratus Financial Services Limited will charge a fee for the financial advice I provide you, which will be calculated on the following basis:

A flat fee of \$350+GST to \$2,000+GST maximum for investment advice, OR

An hourly rate of \$295+GST per hour, plus GST where the advice is more complex.

We will give you an estimate before proceeding.

Other fee structures can be set by negotiation.

I estimate the Advice Fee will amount to **\$0 + GST**

If it becomes apparent that this fee estimate is likely to be exceeded I will let you know and provide you with a further estimate.

These fees will be charged by invoicing you after the advice is provided, or will be deducted from the investments I manage for you, as agreed with you. Fees are due by the 20<sup>th</sup> of the following month, or as arranged.

### Ongoing Service and Management Fees

For the on-going service and management of your investments, there will be a fee deducted from your investments of:

WealthView: The portfolio service fee of up to 0.65% pa of funds under management is charged from the Cash Management Account at the beginning of each month. (for example, \$1,000 invested will incur an ongoing service fee of up to \$6.50 pa).

Other personal savings or investments plans: A fee of up to 0.65% pa of funds under management (for example, \$1,000 invested will incur an ongoing service fee of up to \$6.50 pa). This fee is included in the product's management fee.

KiwiSaver: A fee of 0.20% pa of funds under management (for example, \$1,000 invested in KiwiSaver will incur an ongoing service management fee of up to \$2.00 pa). This fee is included in the product's management fee.

## Relevant interests, relationships and associations

I am employed, on salary, by Wealth Strategies Limited, which has a contract for services with Stratus Financial Services Limited. Stratus has an agreement with Wealthpoint Limited (Wealthpoint). This allows it to sell and engage advisers to sell financial products and services made available by Wealthpoint.

*Stratus Financial Services Limited (Stratus)*

I am a director of Stratus.

My Family Trust has shareholdings in the Stratus group of companies and a dividend is paid based on the capital invested. I am one of three trustees and one of seven discretionary beneficiaries to this trust and therefore may receive a share of any profits that are distributed, some of which may directly or indirectly relate to my sales of financial products and providing financial advice

As I am a director and shareholder of Stratus I may receive a share of any profits that are distributed, some of which may directly or indirectly relate to my sales of financial products and providing financial advice

#### *Wealth Strategies Limited (WSL)*

As your adviser I (or my company) receive a daily retainer from Stratus to provide service to clients.

As your Adviser, I (or my company) also receive 10% of the Ongoing Service and Management Fees received by Stratus to cover the costs associated with providing service to clients.

I (or my company) may also receive a quarterly bonus from Stratus which is a percentage of all new Advice Fees and commission Stratus has received over the quarter in relation to my clients.

I am the sole director of Wealth Strategies Limited.

My Family Trust 100% shareholder of WSL.

As I am a director and shareholder of WSL, I may receive a share of any profits that are distributed, some of which may directly or indirectly relate to my sales of financial products and providing financial advice.

Other than those disclosed above, neither I nor any associated person of mine has or will have or may have any other interest, relationship, or association that a reasonable client would find reasonably likely to materially influence me in providing the financial adviser services.

#### **Relevant Remuneration**

Stratus may receive all or some of the following types of commission when products are sold:

- Initial commission
- Servicing commission
- Investment Product commission
- Assets Under Management commission
- Up-front commission
- Stratus requires me to structure policies on level commission where they are available and it is appropriate.

All commission is paid by the particular product provider. Commission on all products is paid from Wealthpoint to Stratus which then pays individual advisers and their Companies.

In addition to product commission Wealthpoint may access provider achievement programmes. Stratus or I may receive remuneration that consists of recognition and rewards through such programmes.

Various non-monetary rewards in recognition of high sales performance in a particular product category over one year.

I manage any conflicts of interest that may arise from the receipt or possible receipt of the above types of remuneration in the following ways:

- Stratus does not impose on me any prescribed quotas or similar arrangements that require a minimum proportion of sales be placed with a particular provider.
- I am required to follow an advice process whereby client needs and objectives are identified and product recommendations are made on the basis of those needs.

I must disclose and explain any perceived or potential conflicts of interest to each client when completing the advice process with that client.

It is not practicable for me to provide all relevant remuneration information that I am required to include in this disclosure statement, which relates to the specific remuneration I, Stratus my principal may receive on providing a financial adviser service to you, which will be dependent on your needs and circumstances and my analysis in this regard. I will provide further details of the amount or rate of such remuneration (to the extent practicable), the name of the person it is received from and details of the arrangements I have in place to manage conflicts of interest that may arise, when I provide you with the financial adviser service.

### **Relevant Qualifications and Experience**

I have the following qualification/s relevant to providing financial adviser services:

Certified Financial Planner

Chartered Life Underwriter

Graduate Diploma in Business Studies in Personal Financial Planning

Chartered Member of Institute of Directors

I have previously held an AMP Practising Certificate since 1996 through to 2019. I currently hold a Wealthpoint Practising Certificate, I attend in-house and industry training each year to maintain a Practising Certificate.

I ensure my competence is maintained and tested on an ongoing basis through my continuing professional development plan. My plan is developed, maintained and kept up-to-date by:

- Undertaking and evidencing a minimum of 30 continuing professional development hours per year as structures learning;
- Completing and maintaining a personal record of my development needs and progress towards meeting those needs;

- Using an online learning management facility which allows me to plan and record my own development activity, show progress against my continuing professional development requirements and show whether I am behind or on target to meet those requirements;
- Regulatory training, I receive that is arranged, administered and paid for by Wealthpoint in line with legal requirements and Wealthpoint's own standards of professionalism;
- I receive frequent and regular communications to update me on regulatory changes.

I have worked in the financial services industry as an Adviser since January 1989.

I have been contracted to Stratus Financial Services Limited since 2001 as an adviser.

My role involves analyzing client's situation and providing recommendations to help them manage risk, define goals and improve the likelihood of achieving goals.

### **Membership of a Professional Body**

I am a Practitioner member of the Financial Advice New Zealand and I am bound by the Code of Ethics and Professional Conduct and associated bylaws.

### **Professional Indemnity Insurance**

I have, Wealth Strategies Limited has and Stratus Financial Services Limited has Professional Indemnity Insurance covering us in respect of a Wrongful Professional Act. As with all insurance, this cover is subject to certain exclusions.

### **Declaration**

I, Michael John Dowling, 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: .....Dated: 1 November 2019

## Appendix A

In providing the financial adviser service to you I am limited in providing that service in respect of financial products provided by the following product providers:

AMP	Asteron	Nib	Sovereign
AIA	Fidelity Life	Southern Cross	
ANZ Investments	Foundation Life		

WealthView Investment Platform provided by AMP Services (NZ) Limited

Aberdeen Asset Management	Macquarie Investment Management Ltd
AMP Capital Investors (NZ) Limited	Magellan Asset Management Limited
AMP Investment Management (NZ) Limited	Man OM-IP 2AHL Limited
AMP Services (NZ) Limited	Man OM-IP 3AHL Limited
AMP Wealth Management New Zealand Limited	Man OM-IP AHL Limited
ANZ Investments	Milford Asset Management Limited
ANZ National Bank Limited	Mint Asset Management
ANZ NZ Investment Limited	Nikko Asset Management NZ Limited
APN Funds Management	NZ Government
ASB Bank Limited	NZ Local Govt Funding Agency
ASB Capital Limited	Perennial Investment Partners
ASB Capital No 2 Limited	Perpetual Investment Management Limited
Auckland International Airport Limited	PIMCO Australia
Bank of China	Platinum Asset Management
Bank of New Zealand Limited	Rabo Capital Securities Limited
Bentham Asset Management	Rabobank New Zealand Limited
BT Investment Management (RE) Limited	RARE Infrastructure Ltd
China Construction Bank NZ	Resolution Capital Limited
Devon Fund Management	Schroder Investment Management Australia Ltd
Fonterra Co-Operative Group Ltd	Spark Finance Ltd
Goodman Property	SPDR
Harbour Asset Management Limited	Transpower
Hunter Investment Funds	UDC Finance Limited
Janus Henderson Investors (Australia) Funds	Vanguard

Management Limited

Yarra Capital Management