Secondary Disclosure Statement (Authorised Financial Adviser)

Contact Details

Name and registration number of Authorised Financial Adviser: Judith Drummond
FSP 66181

Address: Level 8, 114 The Terrace, Wellington

Trading name: Stratus Financial Services Limited

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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

Financial products I provide financial adviser services on

Types of financial products I provide financial adviser services on

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

Insurance	Investments
Life protection Disablement Trauma Income protection Whole of life Endowment Health	KiwiSaver Superannuation Collective investment schemes (eg unit trusts)

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.

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

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
- AIA
- Asteron
- Fidelity Life
- Foundation Life
- ANZ Investments
- Special Risks Insurance Services
- Southern Cross
- Sovereign
- nib
- Perpetual Guardian

Relevant Fees

Advice and Report Preparation Fees

Stratus Financial Services Limited (Stratus) 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 20th 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:

Other personal savings or investments plans: A fee of up to 0.55% pa of funds under management (for example, $1,000 invested will incur an ongoing service fee of up to $5.50 pa). This fee is included in the product's management fee.

KiwiSaver: A fee of 0.02% 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

Stratus Financial Services Limited (Stratus)

I am a director of Stratus Financial Services Limited.

Lew-Ashlen Trust has shareholdings in the Stratus Financial Services Limited and a dividend may be paid based on the capital invested

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

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

Lew-Ashlen Financial Services Limited

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 a co-director of Lew-Ashlen Financial Services Limited.

I am 50% a shareholder of Lew-Ashlen Financial Services Limited. Terry Drummond holds the remaining 50% shareholding in Lew-Ashlen Financial Services Limited.

As I am a director and shareholder of Lew-Ashlen Financial Services Limited, 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.

As Terry Drummond is a shareholder of Lew-Ashlen Financial Services Limited, he 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

Terry and I are the primary discretionary beneficiaries of the Lew-Ashlen Trust, and therefore may receive a share of any profits that are distributed, some of which are 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 or their companies.

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

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 or 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:

- National Certificate in Financial Services (Financial Advice) (Level 5)

I have held an AMP Practicing Certificate since 21 October 2010 through to 2019, and I currently hold a Wealthpoint Practicing 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 by 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 AMP's own standards of professionalism; and,
- I receive frequent and regular communications to update me on regulatory changes.

I have been employed by Stratus since October 2010 as an adviser and have worked in the industry since August 2008.

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

Professional Indemnity Insurance

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

Declaration

I, Judith Drummond, 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