



FINANCIAL SERVICES LTD

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FUTURE



Disclosure Statement

Prepared 8th April 2010



IAN STEWART

Argent Financial Services Limited
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In accordance with the provisions of the Securities Markets Act 1988 and the Securities Markets (Investment Advisers and Brokers) Regulations 2007 this Disclosure Statement provides you with information and answers to questions about me. It provides details about:

- the services I can provide;
- how I operate my business;
- my qualifications as an investment adviser;
- what investment products I am able to sell you;
- which financial organisations I am able to place business with; and
- how I am remunerated.

EXPERIENCE

Argent Financial Services Limited

Argent Financial Services Limited was formed in 1999 by a group of AMP advisers. The company is now a part of the Argent Group Limited which incorporates AFS Holdings, Argent Finance Limited, Lifetime Insurance Brokers Limited and our associated company Lifetime Financial Security NZ Limited.

Ian Stewart

I have been an investment adviser since 1991 and give advice on unit trusts, superannuation, term deposits and life policies.

HOW WE OPERATE

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

1. Establishing the client-adviser relationship,
2. Gathering client data and determining your goals and expectations,
3. Analysing and evaluating the client's financial position, cash and debt management, personal and business insurance, retirement planning, estate and tax, and/or investment needs.
4. Developing and presenting our written advice,
5. Overseeing the implementation of the plan, and
6. Monitoring and reviewing the plan.

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

The services we provide will depend on your needs. They may include any or all of those detailed in this Disclosure Statement.

Our advice will take account of your personal objectives, financial situation and needs. It will be clear and concise, with enough detail for you to



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make an informed decision about whether to act on it.

PROFESSIONAL BODIES

I am authorised to practice as an Associate Financial Planner and Associate Life Underwriter Practitioner member of the Institute of Financial Advisers (IFA) and, as a condition of my membership I adhere to the IFA Code of Ethics and IFA Practice Standards in all facets of my practice.

QUALIFICATIONS

Relevant qualifications include:

AMP Certificate of Practice
Current (renewed annually)

Associate Life Underwriter (ALU)
Since 1998

Associate Financial Planner (AFP)
Since 1998

As a Member of the Institute of Financial Advisers I am required to obtain a qualifying amount of Continuing Professional Development hours per calendar year to remain a member.

I keep my knowledge up-to-date by private study and attending providers' in-house training courses.

PROFESSIONAL INDEMNITY INSURANCE

In compliance with the Institute of Financial Advisers Code of Ethics, I have professional

indemnity insurance which covers all my areas of practice as listed above.

The minimum level of cover is in compliance with Institute of Financial Advisers' Membership By-Laws.

The underwriter is Lumley General Insurance (NZ) Limited.

I have liability insurance which includes the following covers:

Professional Indemnity
Public Liability and
Internet Liability

This insurance applies when I act as a Life and general agent of any insurance or assurance company and/or intermediary, agent or consultant in the sale or negotiation of any financial product.

As with all insurance, these covers have limitations and are subject to certain exclusions.

DISPUTE RESOLUTION

Any potential complaints are best directed to the CEO of Argent Financial Services NZ Limited, PO Box 25 130, Christchurch in the first instance.

If a satisfactory resolution cannot be found a dispute resolution facility is available by contacting the IFA. Contact details for IFA are:

The Institute of Financial Advisers
PO Box 5513
Wellington
New Zealand

DISCLOSURE OF CERTAIN CRIMINAL CONVICTIONS

Neither I nor any of the principal officers of Argent Financial Services Limited has, within the last five years, been:



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- convicted of an offence under the Securities Markets Act 1988; the Investment Advisers (Disclosure) Act 1996 or the Securities Act 1978, or for a crime involving dishonesty;
- a director or principal officer of a body corporate that has committed an offence against the Securities Markets Act 1988, the Investment Advisers (Disclosure Act) 1996 or the Securities Act 1978 or for a crime involving dishonesty;
- adjudged bankrupt;
- prohibited by and Act or by a court from taking part in the management of a company or business;
- the subject of an adverse finding by a court in any proceeding taken against me in my professional capacity; or
- expelled from, or prohibited from being a member of, a professional body.

Argent Financial Services Limited has not, within the last five years, been placed in statutory management or receivership.

FEES

Argent Financial Services Limited receives a 40% share of the commission I earn.

Refer to attached Fee and Remuneration Schedule for further information regarding fees.

OTHER INTERESTS AND RELATIONSHIPS

I provide advice about securities issued by these issuers, which are on the current AMP approved product list:

AMP Life Limited
AMP Services (NZ) Limited
AMP Superannuation (NZ) Limited
New Zealand Guardian Trust

Approved Direct Agreements:

Marac Finance Limited
South Canterbury Finance Limited

Connect Partners:

AMP Investment Management (NZ) Limited
AMP Capital Investors (NZ) Limited
Fund Managers Otago Limited
ING (NZ) Limited
Liontamer Investment Management Pty Limited
(from time to time when offers are open)
Man Investments Australia Limited
(from time to time when offers are open)
National Mutual Corporate Superannuation Services Limited
Tower Employee Benefits Limited
UDC Finance Limited

I may also, on request, provide advice in relation to other securities which you already hold or which you seek my advice on.

I am not required to place any level of business with any supplier or financial organisation.

I have a contract for services with Argent Financial Services Limited. Argent Financial Services Limited is a subsidiary of Argent Group Limited.

I am a shareholder of Argent Group Limited. As a shareholder of Argent Group Limited I receive approximately 13.1% share of any profits that are distributed, some of which directly or indirectly relate to my sales of investment products.

I am a shareholder of Lifetime Financial Security NZ Limited. Lifetime Financial Security NZ Limited is an associated company of Argent Group Limited. As a shareholder of Lifetime Financial Security NZ Limited I receive approximately 8.75% share of any profits that are distributed.

I am a Director and Shareholder of Rosmarinus Limited. Rosmarinus Limited receives up to 60% of the commission that I earn.

I am associated with the following persons:



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Verna Stewart: Verna is my spouse and a shareholder of Rosmarinus Limited. Rosmarinus Limited has a shareholding in Argent Group Limited and Lifetime Financial Security Limited.

I also have interests via Argent Group Limited in the following 100% subsidiaries of Argent Group Limited: AFS Holdings Limited a completely separate entity holding our commercial properties, Lifetime Insurance Brokers Limited (LIBL) a separate General Insurance Brokerage and Argent Finance Limited, a premium funding company to LIBL.

Neither I nor an associate has any other financial or other relationship with any other person that would be reasonably likely to influence me in giving advice, except as described above.

All other remuneration which I receive is set out in the Fees and Remuneration Schedule attached.

SECURITIES ABOUT WHICH ADVICE IS GIVEN

I provide advice in the following subject areas:

Cash/Debt Management

Budgeting, debt reduction or restructuring, establishing sufficient cash reserves and investing accordingly.

Risk Management

Identifying and quantifying personal financial risks, considering solutions and ensuring sufficient cash or income is available in the event of death, disability or illness.

Retirement Planning

Determining retirement needs, assessing current provisions and providing solutions for any gaps.

Investment Advice

Considering risk profile, investment timeframes and cashflow needs, recommending appropriate solutions on that basis.

PRODUCTS

I use the following products:

Term life insurance
Disability insurance
Income Protection Insurance
Health Insurance
Critical Illness cover
Mortgage Protection Insurance
House Insurance
Contents Insurance
Vehicle Insurance
Business Insurance
Travel Insurance
Savings Plans
Registered Superannuation & Investment Plans
Capital Protected Investments
KiwiSaver
Direct Bonds & Direct Shares
Mortgages and Equity release products.

I declare that the statements above are accurate and up-to-date as at the date stated.

Ian Stewart



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FEE AND REMUNERATION SCHEDULE

I derive remuneration by reference to commission for the investment products I sell. The amount of commission I may derive is generally dependent on the product sold, the amount of your contributions or investment and, in some cases, the time period of your contribution.

I derive remuneration by reference to all or some of the following types of commission when I sell an investment product:

- Initial commission
- Servicing commission
- Investment Product commission
- Assets Under Management commission
- Up-front commission

The amount or rate of the remuneration I will or may derive in respect of a particular product is attached as Appendix B. The amounts and percentages set out in Appendix B reflect the amounts I personally derive after the deduction of a "dealer cut" by AMP, access fees, if any (also charged by AMP) and any amounts retained by my adviser business. The "dealer cut" deducted by AMP is the same percentage for all products that I advise on. The amount of dealer cut depends on the amount of commission revenue (excluding revenue from aligned general insurance brokerages) paid to my adviser business in the previous calendar year and is capped at 20%. This means the higher the commission revenue for my adviser business, the lower the dealer cut will be in the following year.

All commission is paid by the particular product provider. Commission on all products is paid from AMP through Argent Financial Services Limited, and then to Argent Financial Services Limited which then pays me.

In addition to product commission or advice fees, my adviser business or I may receive remuneration that consists of recognition and awards through the AMP Achievement Programme. This programme rewards AMP Advisers and AMP Adviser Businesses based on sales volumes of investment and non-investment products. These products include all AMP products, and non-AMP products accessed through Wealthview Investments and AMP Connect. I will earn a set number of points depending on which product I sell and the amount of the investment. The points structure is set out in Appendix B.

High performing AMP Advisers and Adviser Businesses are eligible to receive as part of the AMP Achievement Programme:

- a full or partial subsidy from AMP to attend an AMP offshore convention held every second year and/or an annual AMP convention held in either New Zealand or Australia; and
- various non-monetary awards in recognition of high sales performance in a particular product category over one year.

If I earn at least 1,000 points under the AMP Achievement Programme, my adviser business will receive a partial subsidy for a software licence from AMP.



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My adviser business may qualify for an annual bonus through the AMP Revenue Share Programme. The financial bonus is calculated annually by adding all of the points earned by the advisers in my adviser business under the AMP Achievement Programme during the relevant year. Once my adviser business has achieved a qualifying threshold of 7,500 points, it will receive a financial bonus of \$2 per point earned. This programme rewards my adviser business based on sales volumes of investment and non-investment products. These include all AMP products and non-AMP products accessed through Wealthview Investments. My adviser business may then pay a portion of the total of that financial bonus to me. The amount of the financial bonus that I may receive has yet to be determined. My adviser business will only be allocated points based on my sales volumes if I have opted into the AMP Achievement Programme.

From time to time AMP and/or other product providers may invite me to attend functions, training and so on at no cost, or at a reduced cost, or provide me or my business with gifts. They may also run sales competitions with prizes such as cash, gift vouchers, travel vouchers and so on.

I may also receive gifts from AMP and other product providers whose products I sell, such as gift vouchers, bottles of wine, entertainment, tickets to events or participation in conferences or seminars.

Appendix B

Product	Type of Remuneration	Remuneration Paid	Notes	
Savings and Investment Portfolio:				
Unit Trust Insurance Bond Personal Retirement Plan	Initial Commission	2.46%	of regular contributions and lump sum contributions (if entry fees are discounted then this commission is discounted in the same proportion)	
	Assets Under Management	0.18% 0.15% 0.19%	of average Assets Under Management (excluding funds in the Limited Access Balanced Investment Fund) AMP Unit Trust AMP Personal Retirement Plans AMP Insurance Bonds	
AMPAK				
	Service Commission	2.13% 1.06% 0.17% 0.17%	of regular and lump sum contributions up to \$100,000 \$100,001 to \$250,000 \$250,001 to \$1,000,000 \$1,000,000+	
	Assets Under Management	0.17%	of average amount held at policy anniversary date	
Investment Linked Regular Premium and				
	Initial Commission	2.24%	of regular and lump sum contributions	
		2.24%	of increases in regular contributions	
	Assets Under Management (single premium policies)	0.08%	of average amount held during the policy year	
Conventional Whole of Life & Endowment Policies				
	Initial Commission Credit on basic contract		% of Annual Premium Income (API) Adult & child's endowment Whole of life < \$500,000 cover Whole of life =/+ \$500,000 cover	
	Initial Commission Credit on Riders API		of API	
	Minimum initial commission credit on basic contract	24.85% 31.34%	% of Annual Premium Income (API) Terms 10 years and above for whole life APLB(F) Others Terms 5 years to under 10 years for whole life APLB(F) Others Terms under 5 years - on application by Adviser, ex-gratia payment where "n" is > 1 year and < 5 years will be made	
	Clawback - default penalty for policies discontinued within 3 years of risk commenced date	-55.96% -27.98% -13.99% 0.00%	Up to 6 months At 12 months At 24 months At 36 months	
	Service commission (new policies since 1/1/94 and increases thereon)	3.53% 2.13% 3.25% 4.25%	% of Annual Premium Income (API) Whole life policies up to \$500,000 cover Whole life policies over \$500,000 cover Adult and child endowment policies Risk riders	
	Service commission (new policies pre 1/7/84 which have not been increased)	1.18%	of Equivalent Yearly Premium (EYP)	
	Service commission (new policies pre 1/7/84 - 31/12/93 which have not been increased)	2.35%	of Equivalent Yearly Premium (EYP)	
	Service commission (new policies pre 1/1/94 which increased 1/7/84 - 31/12/93 and no further increase)	2.35%	of Equivalent Yearly Premium (EYP)	
	Service commission (new policies pre 1/1/94 which increased 1/7/84 - 31/12/93 and further increased after 31/12/93)	2.35%	of pre 1994 Equivalent Yearly Premium (EYP) Plus: Post 1993 rate on post 1993 premium component -	
		3.53% 2.13% 3.25% 4.25%	% of Annual Premium Income (API) Whole life policies up to \$500,000 cover Whole life policies over \$500,000 cover Adult and child endowment policies Risk riders	
	Corporate Superannuation			
	AMP Kiwisaver			
		Service Commission for Funds Under Management (does not apply to the default fund)	0.14% 0.12%	of Funds Under Management calculated on the average daily balance of invested funds in the period: 01 January 2009 - 31 December 2009 01 January 2010 - 31 December 2010 and thereafter
New Zealand Retirement Trust (NZRT)				
	Up-front Commission		% of Annual Contribution Income (ACI)	
		8.50%	Full Service (standard) commission Up to \$148,884	
		6.17%	\$148,885 - \$297,767	
		4.25%	\$297,768 - \$446,651	
		2.34%	Over \$446,652	
		4.46%	Mid Service commission Up to \$148,884	
		3.40%	\$148,885 - \$297,767	
		2.34%	\$297,768 - \$446,651	
		1.28%	Over \$446,652	
		4.46%	Basic Service (non-standard) commission Up to \$148,884	
		3.40%	\$148,885 - \$297,767	
		2.34%	\$297,768 - \$446,651	
1.28%	Over \$446,652			
Lump Sum Transfers	0.22%	of the value of assets transferred		

Appendix B

Product	Type of Remuneration	Remuneration Paid		Notes
New Zealand Retirement Trust - (continued)	Service Commission		% of Annual Contribution Income (ACI)	8 & 10
		2.36%	Full Service (standard) commission Up to \$37,778	
		1.69%	\$37,779 - \$75,556	
		1.18%	\$75,557 - \$113,334	
		0.68%	Over \$113,335	
		1.29%	Mid Service commission Up to \$37,778	
		0.92%	\$37,779 - \$75,556	
		0.65%	\$75,557 - \$113,334	
		0.37%	Over \$113,335	
		0.47%	Basic Service (non-standard) commission Up to \$37,778	
		0.34%	\$37,779 - \$75,556	
		0.24%	\$75,557 - \$113,334	
		0.13%	Over \$113,335	
Portability Plan (for redundancy, retirement or resignation from Corporate Superannuation plan)				
New Zealand Retirement Trust (NZRT)				
	Assets Under Management	0.07%	of total Assets Under Management (annual payment)	10
	Service Commission	1.80%	of regular and lump sum contributions	
REMUNERATION PAID ON INVESTMENT PRODUCTS - CONNECT				
Connect Partners				
AMP Capital Investors (NZ) Limited All other AMP Capital managed funds	Assets Under Management	0.25%	of Assets Under Management calculated on an average daily balance and paid monthly	2 & 10
AMP Capital Cash Advantage Fund	Assets Under Management	0.06%	of Assets Under Management calculated on an average daily balance and paid monthly	10
AMP Enhanced Yield Fund	Assets Under Management	0.20%	of Assets Under Management calculated on an average daily balance and paid monthly	10
AXA	Assets Under Management	0.56%	of Assets Under Management calculated on an average daily balance and paid monthly	2 & 10
Kiwisaver	Commission on Contributions	2.24%	of regular and lump sum contributions	2
Pure Endowment	New Policy Commission Credit		of Annual Premium Income (API)	10
		22.38%	Contract with API <= \$2,500	
		11.19%	Contract with API > \$2,500	
		1.54%	Contract with Single Premium	
Endowment	New Policy Commission Credit		of Annual Premium Income (API)	10
		24.06%	Contract with API <= \$2,500	
		15.67%	Contract with API > \$2,500	
		1.54%	Contract with Single Premium	
Whole of Life	New Policy Commission Credit		of Annual Premium Income (API)	10
		26.86%	Contract with API <= \$2,500	
		17.91%	Contract with API > \$2,500	
		1.54%	Contract with Single Premium	
	Renewal Commission on Pure Endowment, Endowment and Whole of Life Contracts		of Annual Premium Income (API)	10
		2.52%	Contract with API <= \$2,500	
		1.68%	Contract with API > \$2,500	
Fund Managers Otago Limited	Assets Under Management	0.28%	of Assets Under Management calculated on an average daily balance and paid monthly	10
ING (NZ) Limited	Assets Under Management	0.14%	of Assets Under Management calculated on an average daily balance and paid monthly	10
ING Secure Income Fund - Accumulation Units	Entry Fee	1.40%	of regular and lump sum contributions invested	2
ING Secure Income Fund - Regular Units				
ING (NZ) Limited	Assets Under Management	0.14%	of Assets Under Management calculated on an average daily balance and paid monthly	10
ING Property Securities Fund	Entry Fee	2.80%	of regular and lump sum contributions invested	2
SIL KiwiSaver Scheme	Assets Under Management		of AUM in SIL Cash Plus	10
		0.08%	of AUM in SIL New Zealand Fixed Interest	10
		0.08%	of AUM in SIL International Fixed Interest	10
		0.14%	of AUM in SIL Australasian Property fund	10
		0.14%	of AUM in SIL International Property fund	10
		0.14%	of AUM in SIL International Share fund	10
		0.14%	of AUM in SIL Australasian Share fund	10
		0.11%	of AUM in SIL Conservative fund	10
		0.11%	of AUM in SIL Conservative Balanced fund	10
		0.14%	of AUM in SIL Balanced fund	10
		0.14%	of AUM in SIL Balanced Growth fund	10
		0.14%	of AUM in SIL Growth fund	10
Liontamer Investment Management Pty Limited	Entry Fee	1.68%	of regular and lump sum contributions invested	2 & 10
	Brokerage - Capital Unprotected	1.50%	of invested amount less entry fee	
	Brokerage - Capital Protected	1.12%	of invested amount less entry fee	
Man Investments Limited	Brokerage	2.24%	of invested amount	
UDC	Assets Under Management	0.14%	of Assets Under Management calculated on an average daily balance and paid monthly	10
UDC Secured Term Investment & Capital Drawdown Option				
UDC Term Maximiser	Assets Under Management	0.22%	of Assets Under Management calculated on an average daily balance and paid monthly	
Perpetual Trust Limited	Assets Under Management	0.15%	of Assets Under Management calculated on an average daily balance and paid monthly	10
Perpetual Cash Management Fund				
Tower Employee Benefits Limited	Assets Under Management	0.14%	of Assets Under Management calculated on an average daily balance and paid monthly	
Kiwi Plan (KiwiSaver)	Enrolment Bonus	\$ 11.19	per new member enrolled, paid once per enrolment	9

Appendix B

Product	Type of Remuneration	Remuneration Paid	Notes
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Notes to the above tables:

- 1 One off, up front payment on the expected Entry Fee remuneration for the next four years. This option must be selected when the portfolio is first set up. Commutation applies only to regular contributions by direct debit. A four year responsibility period applies. Any shortfall in actual versus expected contributions will result in a pro-rata commission recovery. Any increase in regular contributions after the establishment of the portfolio will pay commission on the basis of Option A. Where a conversion from other AMP business is involved, commutation is only available for any increase to the existing contribution levels.
- 2 Up to a maximum of.
- 3 If entry fees (up to 5%) are discounted, then Investment Product Commission is discounted in the same proportion.
- 4 If entry fees are discounted, then Investment Product Commission is discounted in the same proportion.
- 5 The remuneration in relation to these products cannot be calculated in the same manner as the other products in this schedule. The remuneration formula for these products reflects an amount greater than is received by the Adviser Business or Adviser. The specific remuneration is only able to be disclosed in relation to specific
- 6 Where value of "n" is:
Whole of Life - the number of years from the Risk Commenced Date to the Policy Anniversary preceding age 65 (subject to a minimum of 10 years).
Endowment - the number of years from the Risk Commenced Date to the Maturity Date or the Policy Anniversary preceding age 65 whichever occurs first.
 Maximum term for "n" is 25 years.
- 7 Maximum commission payment of \$15,130 per plan.
- 8 Blue/Gold terms apply as follows:
 "Blue Adviser" - where the average total up front NZRT commission per annum is > \$23,000 over last 3 years, an additional 25% of up front commission is payable.
 "Blue Adviser" - if the average total up front NZRT commission per annum is > \$23,000 over last 3 years, then an additional Entertainment allowance of \$1,000 per year is applied to the Adviser
 "Gold Adviser" - where the average total up front NZRT commission per annum is > \$46,000 over last 3 years, an additional 50% of up front commission is payable
 "Gold Adviser" - if the average total up front NZRT commission per annum is > \$46,000 over last 3 years Entertainment allowance of \$1,500 per year.
- 9 Where a Preferred Employer agreement is in place, the remuneration is calculated on a basis of net increase in members. For example where a business has 50 employees at the beginning of a month, employed 20 staff, and lost 10 staff, the net increase in staff for the month is 10, therefore remuneration is calculated at 10 x \$20 =
- 10 Reward points may be earned on this product through the AMP Achievement Programme, as set out in the following table. Points earned in an Achievement Programme calendar year may have an effect on the remuneration my adviser business or I might receive.

AMP ACHIEVEMENT PROGRAMME - POINTS EARNED ON INVESTMENT PRODUCTS

Provider	Product	Points allocation	
AMP	Whole of Life / Endowment / AMPAK	40	points per \$1000 of new Annual Premium income written per
	Kiwisaver	1	point per \$1,000 of Net Cashflow per annum
	NZRT	1	point per \$1000 of Net Cashflow per annum
	AMP Investment Suite (AIS) Savings & Investment Portfolion (SIP)* Wealthview Investments (WRAP)	5	point per \$10,000 transferred from non AMP superannuation points for every \$1,000 of Net Cashflow per annum * points calculations exclude SIP Cash Fund and SIP Horizon Fund Insurance Bond.
AXA	Endowment/Whole of Life	4	points per \$1,000 of new Annual Premium income written per annum
	KiwiSaver	1	point per \$1000 of Net Cashflow per annum
ING	Kiwisaver	1	point per \$1000 of Net Cashflow per annum
Tower	Kiwisaver	1	point per \$1000 of Net Cashflow per annum

¹¹ Existing clients only until 30 April 2011

Appendix C

Product	Type of Remuneration	Remuneration Paid	Notes
Approved Direct Agreements			
Marac Finance Limited	Assets Under Management	up to 0.75%	of Assets Under Management calculated on an average daily balance
South Canterbury Finance Limited	Assets Under Management	up to 0.5%	of Assets Under Management calculated on an average daily balance