

Secondary Disclosure Statement (Authorised Financial Adviser)

Contact Details

Name and registration number of Authorised Financial Adviser:	Darryl Phipps FSP 58681
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This disclosure statement was prepared on:	This disclosure statement was prepared on 16 th November 2015

Services I provide financial adviser services on

I can provide you with the following financial adviser services:

- Financial advice
- Investment planning services

Financial products I provide financial adviser services on

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

Insurance	Investments
Life protection	KiwiSaver
Disablement	Superannuation
Trauma	Collective investment schemes (e.g. unit trusts)
Income protection	
Fire and General (e.g. house and contents insurance)	
Health	
Mortgage Lending	
Whole of life	
Endowment	
Wills and Estate planning	

Relevant interests, relationships and associations

AMP Services (NZ) Limited ("AMP") is a Qualifying Financial Entity ("QFE"). I am a nominated representative of the AMP QFE.

I am a Director of Axico Limited. Axico Limited (formerly G5 Financial Services Ltd) contracts to AMP and has done since October 2006 which enables Axico Limited to sell financial products and services made available through AMP.

- I hold 100% of the shares in Axico Limited in my capacity as trustee of the Phipps Business Trust.
- I am a Director of Axico Limited and I may receive a 100% share of any of its profits that are distributed, some of which may directly or indirectly relate to my sale 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.

Product Providers

I am only permitted to provide financial adviser services in respect of those products that are either on my QFE's Approved Products List that I have accreditation for under the terms of my QFE's Practising Certificate, or for which a dispensation has been granted by the Investment Committee (or a delegated authority).

The product providers of the financial products that I may provide financial adviser services on are listed in Appendix A.

Relevant Fees

Axico Limited will charge a fee for the financial adviser service I provide to you, which will be calculated on the following basis...

Depending on the level of service you and Axico Limited agree upon, Axico Limited may charge you fees as follows:

Fees are not charged for life, income, critical care, medical insurance and mortgage services, but may be charged for services where a commission is not payable by the products provider.

In these situations fees are calculated on the basis of the time and expertise required to meet the services provided. The current hourly rate is \$250 plus GST.

I estimate that this fee will amount to nil.

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.

You need to pay this fee within 7 days from the date of the invoice.

Relevant Remuneration

I receive a fixed salary from Axico Limited for providing you with financial adviser services.

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

- Up-front/initial commission
- Servicing/renewal commission
- Investment Product Service Payments
- Assets Under Management commission.

All commission is paid by the particular product provider to AMP. Commission on all products is paid from AMP to Axico Limited which then pays me.

In addition to product commission, Axico Limited or I may receive remuneration that consists of recognition and rewards through the AMP Achievement Programme. This programme rewards AMP Advisers and AMP Adviser Businesses based on sales volumes of products including:

- AMP products (including white labelled non-AMP manufactured products) and
- Some non-AMP products (those accessed through WealthView and home loan products).

I will earn a set number of points depending on which products I sell and their value.

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

- A full or partial subsidy from AMP to attend the AMP offshore convention and
- Various non-monetary rewards in recognition of high sales performance in a particular product category over one year.

I may also receive a partial subsidy for a software licence from AMP.

Axico Limited may qualify for a financial bonus (AMP Growth Bonus). The financial bonus is calculated quarterly. This bonus rewards Axico Limited based on the net annual growth of selected AMP product sales by the advisers in Axico Limited.

A portion of that financial bonus may be paid to me, the amount of which is yet to be determined.

Axico Limited may also qualify for an AMP General Insurance Profit Share bonus. The financial bonus is calculated annually. This bonus rewards Axico Limited based on the net annual growth, and retention of AMP General Insurance by the advisers in Axico Ltd, and the overall profitability of AMP General Insurance.

A portion of that financial bonus may be paid to me, the amount of which is yet to be determined.

Depending on the total amount of business I place with a particular product provider, I may receive (from that product provider), invitations to conferences, hosted entertainment events, corporate gifts, professional training and marketing support. Product providers may also from time to time offer sales incentive competitions, with rewards such as gifts, travel and conferences. Whether or not I will receive non-cash rewards and benefits such as those outlined above, and the value of such rewards or benefits, is not known to me at this time, and I will not know whether I am entitled to such rewards or benefits until some time after I have provided the financial adviser service to you. Whether or not I receive such non-cash rewards and benefits, such as those outlined above, and the value of such rewards or benefits, is not dependent on the financial adviser service I provide to you. Instead, these rewards and benefits may be based on the collective business I generate for that product provider.

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, Darryl Phipps, Axico Limited or 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.

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:

- As an Authorised Financial Adviser I am obliged to place the interests of my clients first and only recommend financial products that are suitable for my clients.
Providing and discussing my disclosure statements with each client before I provide my service to each client.
- Disclosing and explaining any perceived or potential conflicts of interest to each client when completing the advice process with that client.
- I do not have prescribed quotas or other such arrangements that require a minimum proportion of sales be placed with a particular product provider.

Relevant Qualifications and Experience

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

I have held an AMP Practising Certificate since October 2006. This is a certificate issued to AMP advisers who have undertaken general financial services training. I attend in-house and industry training each year in order to retain my Practising Certificate.

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

- 1 National Certificate in Financial Services (Financial Services) (Level 5)
- 2 Certified Financial Planner (CFP^{cm}) – 2004
- 3 Graduate Diploma in Business Studies (Personal Financial Planning) – Massey University – 2003
- 4 Adviserlink – Business Financial Services 2003.

I have held an AMP Practicing Certificate since 2000. This is a certificate established and maintained by AMP Services (NZ) Limited for AMP advisers who have undertaken general financial services training. I attend in-house and industry training each year to maintain a current AMP 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 hours of structured professional development every 24 months;
- Completing and maintaining a personal record of areas for improvement in my competence, skills and knowledge and any proposals for addressing those areas for improvement;
- 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 my QFE in line with legal requirements and my QFE's own standards of professionalism;
- The Learning and Professional Development team and managers who are alerted as to whether my training has been completed or is overdue; and
- I receive frequent and regular communications to update me on regulatory changes.

I have over 24 years experience in the financial services industry.

I have been contracted to Axico Limited (formerly G5 Financial Services Ltd) since October 2006 as a Financial Adviser.

My role involves providing advice and solutions in the following subject areas:

- Lending (Residential and Commercial mortgages)
- Financial planning – including cash and debt management
- Retirement planning – including KiwiSaver
- Estate planning – wills, powers of attorney, trusts and other estate planning tools
- Risk Management – including life, trauma, disability, income protection and health insurance
- Business Insurance – including shareholder protection, key person cover, debt protection and buy/sell agreements in association with your accountant/lawyer.
- Commercial insurance – public liability, professional indemnity, directors and officer liability, material damage, business interruption and other relevant covers.

Membership of a Professional Body

I am a member of the Institute of Financial Advisers (IFA) and I am bound by the IFA Code of Ethics and Professional Conduct and associated bylaws.

Professional Indemnity Insurance

I have and Axico Limited has Professional Indemnity Insurance covering myself and Axico Limited in respect of a wrongful professional act. As with all insurance, this cover is subject to certain exclusions.

Appendix A

Insurance and Lending Providers

- The AMP group of companies
- Asteron
- Fidelity
- Tower
- AIA
- Sovereign
- Special Risks Insurance Services
- Vero Liability
- NZI
- Southern Cross
- nib
- ASB
- ANZ
- Westpac
- SBS

Investment Providers

- The AMP group of companies