

Secondary disclosure statement

Authorised Financial Adviser (AFA): Simon Stredder FSP333166 at Hassan & Associates.

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1. Types of financial adviser service provided	Associated financial products provided if any
Comprehensive financial planning advice, including as appropriate:	
Personal financial management advice	
Debt advice	
Life and health insurance advice	Life, trauma, disability and health cover
Retirement planning and KiwiSaver advice	KiwiSaver
Investment planning advice	Managed funds
Estate and tax planning advice	

2. Product restrictions

The AFA is free to recommend the products of any financial product provider without restriction other than the requirement to act in the interests of clients.

3. Fees

The Company charges fees as set out in the Fees Schedule attached to our Client Agreement. The fees may be based on a contract rate, hourly rates, or a percentage of investments. Some fees attract GST and some fees may be tax deductible. The AFA will advise any fee basis and provide an estimate of actual fees before undertaking the related work; and update any fee estimate if it becomes apparent that an earlier estimate will be exceeded. More details on our fees are in Appendix 2. Fee Details on page 3.

4. Interests and relationships

Neither the AFA nor the Company has any financial or other interest, relationship or association likely to materially influence the AFA or the financial services provided.

5. Remuneration

The Company is owned by Simon Stredder and his family interests. In addition to a salary he may benefit from the Company's growth and profits.

The Company receives commission from providers of some insurance, KiwiSaver and retail managed fund products as summarised in Appendix Two.

Neither the AFA nor the Company accepts material soft dollar rewards or other incentives offered by the providers of financial products.

Commission of all types makes up less than 8% of the Company's income and is unlikely to materially influence the AFA or the financial services provided.

6. Other disclosure required as a condition of authorisation

The AFA is not required to make any other disclosure as a condition of his authorisation.

7. Personalised DIMS (Discretionary Investment Management Service)

The AFA does not offer a personalised DIMS. All investment transactions are conducted on instruction from the Client.

8. Code of Professional Conduct disclosures

The AFA is obliged to disclose the additional information in Appendix One below under Code Standard 7 of the Code of Professional Conduct for Authorised Financial Advisers. This information is designed to help you to make an informed decision about working with Hassan & Associates.

Appendix 1. About Hassan & Associates

Hassan & Associates has provided financial services since it was founded in 1995 by Simon & Rosemary Hassan. Between 1 Apr 2015 and 30 Sep 2016 the company was sold to Simon Stredder and his family interests. Simon Stredder is the Company Director.

Your AFA is a member of Financial Advice New Zealand and bound by its rules in addition to his legal obligations. He also has the CFP^{CM} designation. All staff must act strictly in the interest of clients, and keep their knowledge and skills current by completing ongoing training and professional development.

AFA's experience and qualifications
<ul style="list-style-type: none"> • Adviser since Dec 2013 • Certified Financial Planner^{CM} (CFP^{CM}) since 2018 • Diploma in Business Studies (Personal Financial Planning) Massey, 2017 • Deutsche Bank London: FX, Money markets 1996-2000 • JP Morgan London: Credit & Rates markets 2000-2006 • ASB: Trader 2006-2013; Wealth Adviser 2013-2015
Professional memberships
<ul style="list-style-type: none"> • Financial Advice New Zealand • SiFA

Scope of financial adviser services

Hassan & Associates provides financial planning advice covering (as applicable) investments, retirement, insurance, estates, tax and financial management. As a small firm we can work as a team, providing each client with personal service. We also consult with a number of similar firms around New Zealand through Professional Investment Associates Limited (PIA). PIA gives us many of the advantages of a bigger firm whilst enabling us to stay truly 'boutique'. PIA firms share a 'client-first' commitment, a common advice philosophy, a robust research process backed by external independent expertise, and the advice process outlined below.

Advice process

When providing advice we follow the six step financial planning process:

1. Establish and define the client-planner relationship
2. Gather client data, including goals
3. Analyse and evaluate your financial status
4. Develop and present financial planning recommendations and/or alternatives
5. Implement the financial planning recommendations
6. Monitor the financial planning recommendations

We start with a discussion of needs, after which we can usually tell you what our advice will cost. Our advice is clear and concise, with enough detail to enable you to make informed decisions. We oversee implementation actions, and provide an ongoing portfolio monitoring service to help ensure you can reach your goals.

Appendix 2. Fee Details

Most of the Company's income is fees paid by clients. Here is a summary.

2.1. Our initial fees (Planning or Re-Planning Fees) and other one-off fees

Our fees for initial planning or preplanning, and for one-off advice and services may be based on a contract rate or hourly rates, depending on the nature of the work. Where practicable, we provide an estimate before starting work. We advise clients promptly if our fee is likely to be more than our estimate. These fees attract GST but if paid for re-planning purposes, these may be tax deductible.

2.2. Our Establishment Fees

We do not charge Establishment Fees for investments that are processed pursuant to initial investment advice. Our Establishment Fees for other investments (regular saving and additional lump sums) are up to 1.0% of the amount added.

Where we accept commission from providers of insurance and KiwiSaver products we do not charge Establishment Fees for arranging these products. Where no commission is accepted we negotiate Establishment Fees for these products. Establishment Fees do not attract GST.

2.3. Our Ongoing Fees

Our Ongoing Fees (also known as monitoring fees) are usually an annual percentage of the average value of the investments. These fees accrue daily and are deducted from the Investments. Ongoing Fees are usually tax-deductible. 70% of our Ongoing Fees attract GST.

2.3.1. Our Ongoing Fees – clients with bespoke investment portfolios held via Aegis

Our Ongoing Fees for clients with bespoke investment portfolios held via Aegis (the investment administration and custody service or 'Wrap' we use) are a percentage of the average value of a portfolio, based on the rates in the table below. The fees accrue daily and are deducted from the portfolio and paid to us monthly in arrears by the Custodian. Any commission or other payment from investment product suppliers are rebated to client via their Client Account in the Wrap.

Average Portfolio Value	Pre GST	Incl GST
First \$100,000	1.55%	1.71%
Next \$400,000 (ie: \$100,000 to \$500,000)	1.20%	1.33%
Next \$250,000 (ie: \$500,000 to \$750,000)	0.90%	0.99%
Next \$250,000 (ie: \$750,000 to \$1 million)	0.70%	0.77%
Balance of portfolio	0.45%	0.50%

2.3.2. Our Ongoing Fees – clients with investments held via i-Select (a Superannuation Wrap), Select Wealth Management (SWM, class DIMS model portfolios), or diversified managed funds

As per our fee scale above up to a maximum of 1.22% pa before GST of average portfolio balance (offset by any commission accepted). This fee may be deducted from your portfolio and paid to us in monthly instalments or otherwise by the fund manager or Wrap Custodian, or payable on invoice. We will advise you of the actual arrangements when we provide investment advice.

2.3.4. Our Ongoing Fees – KiwiSaver and other retirement savings accounts

If you want your KiwiSaver or other retirement savings account(s) included in our ongoing advice, we charge the lesser of:

- 0.50% of the balance in the account(s) on or around each 30 June, and
- the applicable marginal rate in the table in section 2.3.1 based on other advised investments, plus applicable GST, offset by any commission received. This fee is payable on invoice.

2.4. Fees for investment administration and custody paid to Aegis and other providers

In addition to our Ongoing Fees, clients with investments held via Aegis in a Bespoke portfolio (2.3.1), in SWM or i-Select (2.3.2) also pay fees to these providers. These fees are also deducted from the Investments, based on the applicable stepped scale below. We do not receive any part of these fees or any other remuneration, rewards or incentives for these providers. These fees are usually tax-deductible, but they are not subject to GST.

Average Portfolio Value	Aegis (Bespoke)	Aegis/i-Select	Aegis/SWM
\$0 to \$250,000	0.30%	0.70%	0.60%
\$250,000 to \$500,000	0.30%	0.70%	0.50%
\$500,000 to \$1 million	0.30%	0.70%	0.40%
Between \$1 million and \$2 million	0.17%	0.70%	0.30%
Over \$2 million	Negotiable	0.70%	0.30%

2.5. Other fees and costs

Where we charge hourly rates these are up to \$330 per hour plus GST where applicable.

Our minimum fee for a review meeting is \$330 plus any GST, offset by any Ongoing Fees we have received as a result of business in the previous 12 months or since the last meeting (whichever period is the shorter).

In all cases we reserve the right to charge the fee required to bring the annual total of our Ongoing Fees and any Ongoing Commissions received by the Company as a result of business with any Client to \$330 plus any GST.

2.5. Stockbrokers

If we recommend directly held listed securities (typically shares or bonds) in a bespoke portfolio brokerage may also be payable by clients to share brokers.

Broker	NZ Fixed Interest	NZ Equities	Overseas Equities
Amscot Stockbroking (Perth)	N/A	N/A	Aust 0.1%, min AUD 20
ASB Securities	0.25%, min \$25.00	0.35%, min \$29.50	UK: 0.6%, min GBP 25; US 0.6%, min USD 50
ANZ Direct Broking	\$5.50+0.35%, min \$30	\$5.50+0.35%, min \$30	N/A
WP Institutional Bank	0.10% to 0.25%, no min	N/A	N/A

Appendix 3. Commission Arrangements

This table sets out maximum rates of commission including bonuses received by the Company when business is placed with the product providers listed.

The AFA is not restricted to using the providers and products shown but in practice these are the providers typically recommended.

When the AFA recommends a particular product an estimate of any applicable commission the Company is likely to receive if you act on the recommendation will be provided at the same time.

3.1 Insurance: All commission is a percentage of pre-GST and pre-policy fee premium with current maximum rates as set out below:

Commission Type →	Up-front Commission Percentage of annual premium or premium increase as these are paid			Ongoing Commission Percentage of premiums as these are paid from the start of Year 2		
Kind of cover → Provider ↓	Life, TPD, trauma	Income Protection	Health	Life, TPD, trauma	Income Protection	Health
Accuro	NA	NA	30%	NA	NA	15%
AIA	30%	30%	30%	15%	15%	20%
Asteron	80%	80%	NA	30%	30%	NA
Fidelity	100%	100%	NA	31%	31%	NA
OnePath	70%	70%	115%	30%	30%	7.5%
Sovereign	120%	15%	80%	20%	20%	20%
Southern Cross	NA	NA	30%	NA	NA	15%
Partners Life	25%	25%	25%	25%	25%	25%

3.2 KiwiSaver and retail managed funds: No up-front commission is accepted. Where ongoing commission is accepted the Company uses it to offset our ongoing KS advice fees of up to 0.50% pa of average fund balance that would otherwise apply. Ongoing commission is an annual percentage of average fund balance and is paid to the Company by the Provider from the Provider's management fees with current maximum rates as set out below:

Kind of commission → Provider ↓	Up-front commission	Ongoing commission
OneAnswer/ANZ	NA	0.25%
Fisher Funds	NA	0.25%
Grosvenor	NA	0.50%
KiwiWealth	NA	0.00%
Simplicity	NA	0.00%

End of SDS