



DISCLOSURE STATEMENT

Adviser John Wood

john wood
AND ASSOCIATES LTD

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.

This document was prepared on 29th February 2008.

I am employed as a client adviser by John Wood & Associates Ltd (the Company). I am also a director of the company.


Employer:	John Wood & Associates Ltd
Address:	11 Boundary Street, PO Box 487, Greymouth
Phone:	03 768 6947
Fax:	03 768 6955
Email:	john@investmenthouse.co.nz
Website:	www.investmenthouse.co.nz

EXPERIENCE

I am a comprehensive financial planner. I have extensive financial industry experience and have been an investment adviser for 21 years.

QUALIFICATIONS

I have the following qualifications:

I am a CERTIFIED FINANCIAL PLANNER^{CM} 
Diploma in Business Studies (Massey) 1998
Bachelor of Arts Degree (Canterbury) 1978
Diploma in Teaching (Canterbury) 1977

I keep my qualifications up-to-date by completing at least 60 hours of Continuing Professional Development (CPD) every two years as required by the IFA. CPD hours are earned by participating in approved courses, briefings, conferences and educational activities.

HOW WE OPERATE

Before any work begins we will have an initial meeting with you to discuss your current situation and the goals you would like to achieve.

The initial meeting is free and sets the terms for our continued working relationship.

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

- Step 1: Establishing the client-adviser relationship,
- Step 2: Gathering client data and determining your goals and expectations,
- Step 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,
- Step 4: Developing and presenting our written advice,
- Step 5: Overseeing the implementation of the plan, and
- Step 6: Monitoring and reviewing the plan.

Based on the above 6 steps the process is tailored to meet the client’s individual circumstances and requirements. It may 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.

Our advice will be clear and concise, with enough detail for you to make an informed decision about whether to act on it.

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

PROFESSIONAL RELATIONSHIPS

I am able to place business with each of the following companies:

Insurance Companies	Investment Companies
AXA New Zealand	AXA New Zealand
Sovereign	ING
Tower Life & Health	NZ Funds Management Ltd
AIG	First NZ Capital
CIGNA	
ING	
Southern Cross Healthcare	
UniMed	
Accuro Health	

Southern Cross Healthcare, Tower Health & Life, UniMed and Accuro Health assist us with providing both individual and group health insurance.

First NZ Capital provides advice on fixed interest securities and assists with the purchase and selling of any share when requested by a client. We do not promote ourselves as share brokers.

I am associated with the following Company's:

- **Hardy & Hiscoke** are a financial planning firm based in Christchurch. We have a contract with them, to provide financial advice pertaining to the employee benefit package they have in place with Solid Energy. Our role is to assist and advice new Solid Energy employees on the West Coast of the superannuation, health and insurance benefits available under their employment agreement.
- **Mortgage Link Coastwide** are mortgage brokers with offices in Greymouth and Hokitika. Upon a referral basis we assist their clients in arranging mortgage protection insurance.
- **Broker Direct Services Ltd** is a fire and general insurance broker based in Christchurch. They assist us in advising and placing commercial insurance for our clients.
- **Bob Edwards Investment Planning Limited** assists us with placing fixed interest securities with no sales or product quotas.

Neither I nor any associate has any financial or other relationship with any other person/company that would be reasonably likely to influence me in giving advice, except as described above. To the best of our knowledge and belief there is no conflict of interests or relationships that could influence our advice contrary to the interests of our clients.

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

PROFESSIONAL ASSOCIATION

I am a 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.

I am also a member of the AXA Advisers Association (AAA).

AREAS OF FINANCIAL ADVICE

I can provide advice on the following areas:

- Personal Life, Disability and Health Insurance
- Personalised managed investment strategies
- Superannuation
- Retirement income streams
- Fixed term investments
- Cash management trusts
- Company group life, disability and health insurance
- Business succession and Key Person insurance
- Company Employee Benefit Schemes

Subject Areas

Cash/Debt Management	Involves assisting with and preparing a personal cashflow, analysing personal/family income and expenditure.
Estate Planning	As part of the planning process estate planning issues (wills, trusts, power of attorney etc) are always considered. Seeking professional legal advice in this area is always recommended.
Risk Management	Personal life, disability and health insurance.
Retirement Planning	Assisting clients to achieve both their desired lifestyle and financial goals in retirement.
Taxation	Taxation advice is limited to investment related issues such as the PIE regime. We do not provide accountancy advice and always refer them to their accountant.
Investment Advice	Establishing and advising on appropriate investments strategies to achieve client's goals.

I only give advice in the particular subject areas set out above.

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.

This insurance held through Lumley General Insurance 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 insurances, these covers have limitations and are subject to certain exclusions terms and conditions.

DISPUTE RESOLUTION

If you have any complaints about the services provided to you or about personal information held, you should take the following steps:

1. Inform John Wood & Associates Ltd and tell them about your complaint.
2. If your complaint is not satisfactorily resolved within 5 working days, you could contact the Institute of Financial Advisers (IFA) on telephone 0800 40 44 22 or by writing to National Office, IFA, PO Box 5513, Wellington.
3. If you still do not get a satisfactory outcome you can contact the New Zealand Insurance and Savings Ombudsman:
<http://www.iombudsman.org.nz/>

DISCLOSURE OF CRIMINAL CONVICTIONS

Neither I nor any principal officer of the Company has ever been:

- 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.

HANDLING MONEY

All clients cheques and monies are made payable to the investment institutions, fund manager or company's direct. John Wood & Associates Ltd does not operate a trust account.

REMUNERATION

Our aim is to make certain that our compensation arrangements are transparent as possible for our clients to see and understand.

We do not generally charge for an initial consultation, and where possible will advise you of our likely fees before any work is started. The company charges fees for advice and services. The company also accepts commissions in some instances. Out of the fees and commissions received we pay all the business expenses including rent, staff wages, training expenses and other company costs. The company's current fees and commissions are set out in our remuneration schedule on the next page.

We will provide you with an estimate of our fees for initial advice before accepting your instructions to provide advice. The amount and/or the rate of any applicable fees and commissions will be detailed in the supplementary advice document.

In addition to the remuneration received as laid out in this document John Wood & Associates Ltd and/or their advisers may receive other benefits from providers, such as assistance for professional development programmes, offshore study trips, technology support, superannuation and a buyer of last resort option from providers.

REMUNERATION SCHEDULE

Our fees may be based on a percentage of funds under management, a contract rate, an hourly rate plus costs, or a combination of these. We do accept commissions for insurance and some investments. If commission is received on any investment product we will disclose this to you. Some of the fees are subject to GST. Some of the fees may be tax deductible. We are not tax advisers and clients are urged to seek professional tax advice on these matters. We can change this fee schedule, but any increase in ongoing fees will not apply until 30 days after we advise affected clients of the change in writing.

Hourly Rate

I do charge a fee for the advice I provide you. The fee is \$135 per hour (plus GST)

Planning Fees

We charge planning fees based on our hourly rate. We will provide clients estimates of the time and cost prior to commencing work. If actual costs are likely to exceed our estimate, we will advise the client of this as soon as possible.

In addition, I will or may receive remuneration from the following sources:

Cash & Enhanced Cash, Fixed Term Investments, Balanced and Growth Unit Trusts

Approved Products	Type	Initial Commission	Trail Commission	Monitoring Fee	Entry/Exist Fee
AXA Cash Management Fund	Cash	Nil	0.25% of average balance pa	Nil	Nil
AXA Mortgage Backed Bond	Fixed Interest	Nil	0.30% of average balance pa	Nil	Nil
AXA Balanced Growth Trust	Diversified Unit Trust	Up to 2.5% of regular contributions	0.25% of average balance pa	Nil	Nil
NZ Funds Money Market Trust	Cash	A fee may apply. To be advised prior to investment	Nil	Nil	Nil
NZ Funds Core Income Portfolio	Enhanced	Nil	0.25% of average balance pa	0.7% of average balance pa	Nil
NZ Funds Credit Opportunities Fund	Enhanced	Nil	0.25% of average balance pa	0.7% of average pa	Nil
NZ Funds Mid Term Growth	Diversified Unit Trust	Nil	Nil	1.00% of average balance pa	Nil
NZ Funds Diversified Growth Strategies	Diversified Unit Trusts	Nil	Nil	1.00% of average balance pa	Nil

KiwiSaver

We charge a fee of \$50 (plus GST) for giving advice on KiwiSaver.

We are able to use and recommend any KiwiSaver provider. Two of our preferred providers are: the SIL range of KiwiSaver funds offered by ING and AXA. We receive commission offered by these providers as set out below.

Provider	Advice Fee	Initial Commission	Trail Commission
AXA	\$50	\$50	Nil
ING	\$50	\$50	0.25% pa of average balance

Insurance

For personal and business insurance whole of life or endowment, we will receive commission as set out in the table below.

AXA	Initial Commission	Trail Commission
Whole of Life	48% of annual premium for annual premiums up to \$2500 32% of annual premium for premiums over \$2500	4.5% of annual premium for annual premiums up to \$2500 3.0% of annual premium for premiums over \$2500
Endowment	43% of annual premium for annual premiums up to \$2500 28% of annual premium for premiums over \$2500	4.5% of annual premium for annual premiums up to \$2500 3.0% of annual premium for premiums over \$2500
Supplementary Benefits to whole of life or endowment – term insurance, total disablement, future insurability, trauma recovery benefit	70% of annual premium	4.5% of annual premium

Superannuation

AXA	Initial Commission	Trail Commission	Entry/Exist Fees
AXA Personal Super	Up to 2.5% of contributions when investment portfolio is less than \$25,000	0.67% pa of average fund balance	Nil
AXA Business Super	Up to 2.5% of contributions when investment portfolio is less than \$25,000	0.536% pa of average fund balance	Nil
Selected Portfolio Solutions	Up to 2.5% of contributions when investment portfolio is less than \$25,000	Up to 1% of average fund balance	Nil

Investment Management

Suppliers	Type	Initial Commission	Direct Supplier Cost to Client
NZ Funds Management	Master Trust	Nil	Fund management, trustee and other fees: up to 2.0% pa of average balance (see investment statement for full details)
First NZ Capital	Trading (buy/sell) Shares & Fixed Interest Securities	Nil	We charge a net brokerage of 0.65%, with a minimum brokerage payment being \$40.
First NZ Capital	New issues – fixed interest securities and equities	Brokerage will be on an issue by issue basis and declared prior to investment	A fee for service may apply but would be declared prior to investment being purchased

All fees are paid direct to the firm by the client. Commissions and/or brokerage are payable to John Wood & Associates Ltd by the providers.

DECLARATION

I declare that the information in this statement was materially accurate and up-to-date when it was provided to you.

John Wood
Certified Financial Planner^{CM}



**Upon signing this declaration could you please detach this page and return to John Wood & Associates Ltd in the envelope provided. We need to keep a copy of this receipt on file.
Please keep your copy of the Disclosure Document for your own records.**

CLIENT ACKNOWLEDGEMENT

I/we acknowledge that I/we have received a copy of the Disclosure Statement, dated 29th February 2008, prior to receiving any advice from John Wood of John Wood & Associates Limited.

Name _____ Signature _____ Date ___/___/___

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