

Primary Disclosure Statement (Authorised Financial Adviser)

Name and Registration Number of Authorised Financial Adviser:	Rae Fairest FSP91221
Address:	41 Kakahoroa Dr, Whakatane 3158
Employer:	Key Financial Solutions
Telephone number:	07 3088113
Email address:	rae@keyfinancialsolutions.co.nz
This disclosure statement was prepared on:	20 February 2014

It is important that you read this document

This information will help you to choose a financial adviser that best suits your needs. It will also provide some useful information about the financial adviser that you choose. In addition to the information that I must disclose to you in this statement, I must also disclose other information to you in a separate disclosure statement (or statements), including information about the types of services that I provide, the fees that I charge, and any actual or potential conflicts of interest. If I have not provided that information to you at the same time as I give you this statement, I must provide it to you as soon as I can.

What sort of adviser am I?

I am an Authorised Financial Adviser. This means I have been authorised by the Financial Markets Authority (the government agency that monitors financial advisers) to provide the financial adviser services described below

How can I help you?

I have been authorised to provide you with financial adviser services of the following categories:

- > Investment planning service
- > Financial advice

When I do this, I will be able to give you advice/provide a service about:

- Financial products provided by only 1 organisation:
- Financial products provided by a small number of organisations (2 to 5 organisations):
- Financial products provided by a broad range of organisations (more than 5 organisations).

How do I get paid for the services that I provide to you?

PAYMENT TYPE	DESCRIPTION
<input checked="" type="checkbox"/> Fees only	My services are only paid for by the fees that you pay. I do not receive payments from other people or organisations that might influence my advice.
<input checked="" type="checkbox"/> Fees	My services are paid for by the fees that you pay as well as in other ways.
<input checked="" type="checkbox"/> Commissions	There are situations in which my employer will be paid by other organisations. How much that payment will be depends on the decisions that you make.
<input type="checkbox"/> Extra payments from my employer/principal	I may receive extra payments from my employer/principal depending upon the decisions that you make.
<input type="checkbox"/> Non-financial benefits from other organisations	Other organisations may give my employer non-financial benefits depending on the decisions that you make.

I am required to tell you the specific fees, commissions, extra payments, and other benefits that I have received or will, or may, receive in relation to the services that I provide to you. I must tell you these things before I give you advice/provide a service or, if that is not practicable, as soon as practicable after I give you that advice/provide that service. My hourly rate for consultations other than the above is \$200 per hour plus GST.

What are my obligations?

As an Authorised Financial Adviser, I must comply with the Code of Professional Conduct for Authorised Financial Advisers. I also have other obligations under the Financial Advisers Act 2008 (including regulations made under that Act) and under the general law.

What should you do if something goes wrong?

If you have a problem, concern or complaint about any part of my service, please tell my internal complaints scheme so that my internal complaints scheme can try to fix the problem.

You may contact the internal complaints scheme by telephone, by email or in writing. For complaints received by telephone, in some cases, we may require you to put the complaint in writing. Our contact details are:

Hayley van den Anker, Key Financial Solutions, PO Box 640, Whakatane 3158

If we cannot agree on how to fix the issue, or if you decide not to use the internal complaints scheme, you can contact the Insurance and Savings Ombudsman, PO Box 10-845, Wellington, phone 04 499 7612 or email info@ombudsman.org.nz. This service will cost you nothing, and will help us resolve any disagreements.

If you need to know more, where can you get more information?

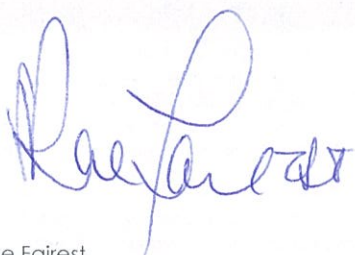
If you have a question about anything in this disclosure statement or you would like to know anything more about me, please ask me. If you have a question about financial advisers generally, you can contact the Financial Markets Authority.

How am I regulated by the government?

You can check that I am a registered financial services provider and an Authorised Financial Adviser at <http://www.fspr.govt.nz>. The Financial Markets Authority authorises and regulates financial advisers. Contact the Financial Markets Authority for more information, including financial tips and warnings. You can report information or complain about my conduct to the Financial Markets Authority, but in the event of a disagreement, you may choose to first use the dispute resolution procedures described above (under What should you do if something goes wrong?).

Declaration

I, Rae Fairest, 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.



Rae Fairest
Key Financial Solutions

Secondary Disclosure Statement

(Authorised Financial Adviser)

This disclosure statement was prepared on: 21 September 2015.

In accordance with the Financial Advisers Act 2008 and regulations we are pleased to provide you with this Disclosure Statement which provides information about your adviser and about our firm.

Your adviser – Rae Fairest

REGISTRATION NO: FSP91221	
Contact details	rae@keyfinancialsolutions.co.nz 41 Kakahoroa Drive, Whakatane 3121 Phone: 07 3088113 Fax: 07 3086268 Freephone: 0800 111 443
Authorisation	Authorised Financial Adviser -11 May 2011
Qualifications	Graduate Diploma Business Studies endorsed Personal Financial Planning Authorised Financial Adviser
Experience	I have operated as a financial adviser with Key Financial Solutions since November 2010. I have 25 years experience in the financial services industry.
Continuing education	I keep my qualifications up-to-date through continuing education (consisting of seminars, technical briefings, product accreditation and conference workshops) for a minimum of twenty hours per year and sixty hours every two years.
Relationships	I generally provide financial adviser services which relate to financial products for which NZ Funds Management is the manager. The financial products are unit trusts that are part of the Managed Portfolio Service and the NZ Funds KiwiSaver Scheme.

Financial adviser services

I am authorised to provide the following personalised and class financial adviser services to all clients: - investment planning service and financial advice.

A personalised financial adviser service takes into account your specific financial needs and goals, your current and future financial situation and your tolerance for risk.

I work with you to develop, agree and document a financial strategy and corresponding investment portfolio at the outset of our relationship. It is important that you provide me with full and accurate information otherwise I could be prevented from providing appropriate advice.

Additionally, you should note that your personal situation will evolve and change over time and I will meet with you regularly to ensure that your financial strategy and your investment portfolio remain specific and suited to you.

Key Financial Solutions has a Relationship Agreement with New Zealand Funds Management. Accordingly I am inclined to recommend NZ Funds Management investment solutions in all cases where I see a demonstrable alignment to client needs. Through this relationship I have an in-depth understanding of NZ Funds Management investment portfolios and I am aligned with the investment and advice philosophies applied by the firm.

In recognition of the above, I do not hold myself out to be independent.

The financial adviser services I provide fall into four broad categories. The determination of which level of service is appropriate for you will be discussed, agreed and documented in a Scope of Service document. The four service levels are designed to meet the following client needs.

KiwiSaver: This Strategy provides a KiwiSaver investment recommendation following a limited assessment of the client's current situation and risk profile. I document my recommendation in a brief financial strategy. It is important to note that in a KiwiSaver plan no assessment is made as to the extent to which the client's retirement wealth or income objectives might be met by KiwiSaver. This Strategy does not consider the client's broader debt, insurances, or estate planning issues.

Wealth Accumulation: This Strategy is appropriate for those in the working and earning phase of their life and who are focused on the objective of defining and accumulating a targeted level of wealth at retirement.

Retirement Income: This Strategy is designed for those nearing or in retirement and seeking to achieve a sustainable income in retirement utilising the wealth they have accumulated during their working life. It also includes those who have excess capital that they may not necessarily need to fund their retirement.

Private Wealth Management: This Strategy is for those who have, or are likely to have, financial capital meaningfully in excess of that required to fund their retirement income and/or who have investment goals and considerations beyond just retirement income (for example, legacy, wealth transfer or philanthropic goals).

The advice methodology I use involves the following five steps:

- Step 1: Understanding – I meet with you to develop an understanding of your current financial situation; your savings and retirement plans; your financial goals; and your attitude toward risk.
- Step 2: Planning – Using proprietary wealth technologies I provide you with immediate and interactive feedback on your ability to meet your financial goals.
- Step 3: Construction – Once we have developed your financial strategy, I construct a corresponding purpose built investment portfolio designed to deliver on the goals we have agreed.
- Step 4: Implementation – Once we have agreed any refinements to your Personalised Wealth Strategy I will implement the agreed advice and investment recommendations for you.
- Step 5: Reviewing and managing – Together we will regularly review and refine your Personalised Wealth Strategy relative to your evolving situation.

I do not necessarily provide comprehensive financial advice to all clients. In particular, I do not always provide advice in relation to your personal insurances and estate planning issues. I am however able to make observations applicable to these issues. Where you require this type of advice I will look to meet your needs by referring you to an appropriate specialist in that professional area.

Integrated investment and advice philosophy

NZ Funds has designed an investment portfolio service specifically to meet the wealth accumulation, retirement income and private wealth management goals of New Zealand individuals, families and their investing entities.

This service is based on a shared belief that by integrating the management of your advice and investment portfolio we will be able to provide you with a superior service.

To achieve this, we utilise a series of Portfolios offered by NZ Funds. In managing these Portfolios, NZ Funds utilises an active investment management approach. This approach seeks to maintain a balance between preserving client's capital and growing wealth in a manner consistent with each Portfolio's objective.

While a significant component of each client investment portfolio is outsourced, overall portfolio design and management is the responsibility of NZ Funds.

Our advice philosophy involves allocating each client's portfolio across the investment categories consistent with their financial goals, age and risk profile, and achieving an appropriate level of diversification across the asset classes within each investment category.

The combined effect of these philosophies aim for the growth of wealth together with the mitigation of risk through diversification within each client's investment portfolio.

I provide investment recommendations primarily in relation to the Portfolios offered by NZ Funds, as when combined with the advice process I use, they enable me to design an investment portfolio that will accommodate virtually any combination of investing goals

Representative agencies

Key Financial Solutions currently holds representative agencies with the following financial service providers:

Asset Protection; Wills Trusts and Estate Planning.

Heritage Trustee Company Limited for Asset Protection, Wills and Trusts and Estate Planning and as such I am able to provide recommendations in this area. I am an authorised signatory of Heritage Trustee Company Ltd and from time to time may have staff working for me who are also authorised signatories. As a result I have a conflict of interest that has to be disclosed to you. The conflict is that I receive remuneration from Heritage Trustee Company Ltd for the services either I or my staff perform on your behalf. These services may involve implementation and or ongoing management services and in circumstances where I recommend services provided by Heritage Trustee Company Limited, I require clients to complete a written waiver whereby the client acknowledges that I have disclosed the conflict of interest and the client accepts this.

Acknowledgement

I/We acknowledge that I/we have received a copy of this Disclosure Statement and the attached Appendix.

Client name	Client name
Client signature	Client signature
Date	Date

Appendix 1 – Our fees

The basis of fees payable to Key Financial Solutions will be as follows:

FEE TYPE	FEE AMOUNT
Initial advice fee	<p>This is a one-time fee covering the development of your financial strategy and implementation of your portfolio and will be dependent upon the scope of the service agreed.</p> <p>You will be provided with an invoice for this fee and payment will be required within 7 days of the date of the invoice.</p>
Ongoing advice fee	<p>Either an annual fixed fee (flat fee) covering the ongoing provision of advice and management of your financial strategy and is based upon the scope of the ongoing advice service agreed and set out in your Client Service Agreement.</p> <p>Or an annual fee covering the ongoing provision of advice and management of your financial strategy and is based on a 1% of funds or a % as set out under advice as set out in your Client Service Agreement.</p> <p>Payment of this fee will occur by way of deduction on a monthly basis directly from your investment portfolio.</p>
One-off advice	<p>This is provided at an agreed hourly rate, or a fixed price, for additional work required. The quantum of the fee will vary depending on the nature of the issue being advised upon and the qualifications and experience of the adviser. My current minimum hourly rate is \$200 plus GST.</p> <p>You will be provided with an invoice for this fee and payment will occur by way of deduction directly from your investment portfolio 7 days after the date of the invoice.</p>

An estimate of the fees applicable to you is as follows:

FEE TYPE	PERCENTAGE
Initial advice fee	\$250 to \$1250 planning fee + GST
Ongoing advice fee	1%pa of funds under management up to \$500,000 + GST .75%pa of funds under management over \$500,000+ GST .50%pa of funds under management over \$1M Platform fee \$400 plus GST pa
One-off advice	\$200 plus GST per hour

Note: If it becomes apparent that fees are likely to exceed the above, a revised fee estimate will be provided before I implement your investment portfolio.

I make no charge for advice and recommendations on Estate Planning matters however I charge implementation fees where Heritage Trustee Company Limited is used as the provider of estate planning services. The quantum of these fees depends on the extend of the documentation required to implement the recommendations and in every case a quotation will be supplied and accepted in writing with a written waiver of the conflict of interest before any recommendations are implemented.

Insurances and Risk:

I offer personal risk needs analysis and am an Accredited OnePath Adviser. Due to my financial background and experience I am able to provide or make observations on insurance cover. Any fee or commission will be disclosed to anyone accepting my proposal. A referral to a broker or agent will be provided to ensure you assurance needs are met if I am unable to provide a suitable solution.

Brokerage Service for Share Buy/Sell Transactions: Offered as a class service for the public and clients, we are able to transact a share sale (no advice is given.) All fees are disclosed when this service is offered and brokerage is received from these transactions.

Fees payable by you

Our financial adviser services are predominantly fee-based. Our standard financial advice fees are detailed in Appendix 1.

An estimate of the fees payable by you is also detailed in Appendix 1.

I will provide you with additional disclosure with regard to fees payable by you should they change from those detailed in Appendix 1.

In addition, the details of the specific fees agreed with you will be set out in a Client Service Agreement, to be provided to you and signed once you have agreed to proceed with our advice.

Details of the investment management fees and expenses paid by the Portfolios making up the NZ Funds Managed Portfolio Service and the NZ Funds KiwiSaver Scheme are outlined in the current Investment Statements for these offers.

Commissions

NZ Funds Management Ltd, as manager, pays me a commission of 0.20% of your KiwiSaver account balance and a one off administration payment of up to \$50 to assist me with the costs of financial advice to you. These are not costs to you.

My Remuneration

I am remunerated by Key Financial Solutions and I do not receive any direct commissions, rebates or other financial rewards for the advice given to you or any individual client.

Some of the older legacy products may provide commission and although this is rare, I will inform you if I receive a commission from any of these products which may still be included in your portfolio.

Independence

NZ Funds, its directors, shareholders, and employees may from time to time have investments in any or all of the investment products recommended. It is the strict policy of NZ Funds that every endeavour is taken to ensure that to the extent possible no actual or potential conflicts of interest exist which could impair the objectivity of its advisers.

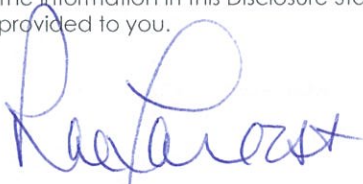
In recognition of all the relationships stated above, NZ Funds and its advisers are not regarded as being independent.

Professional indemnity insurance

I have professional indemnity insurance which covers all my areas of practice. The insurance provides protection for clients for any error or omission; defamation; employee dishonesty; and includes full 'prior acts' protection. The underwriter is Lloyds of London.

Signature

The information in this Disclosure Statement is materially accurate and current as at the date it was provided to you.



Rae Fairest
Key Financial Solutions, Whakatane

Scope of Service

Client Name

Adviser Name

Date

As described in my Disclosure Statements, I am an Authorised Financial Adviser. The services that I offer are categorised based on the primary client need that we agree – KiwiSaver, Wealth Accumulation, Retirement Income, or Private Wealth Management. This document sets out the broad service provided under each of those categories and identifies the strategy which is appropriate for you.

KiwiSaver Strategy

The KiwiSaver Strategy provides a KiwiSaver investment recommendation following a limited assessment of your current situation and risk profile. I will document my recommendation in a brief financial strategy which may include a forecast of the accumulation of funds in your KiwiSaver investments only.

It is important to note that under the KiwiSaver Strategy no assessment is made as to the extent to which your retirement wealth or income objectives might be met by KiwiSaver. The KiwiSaver Strategy does not consider your broader debt, insurances, or estate planning issues.

Wealth Accumulation Strategy

The Wealth Accumulation Strategy is appropriate for those in the working and earning phase of their life and who are focused on the objective of defining and accumulating a targeted level of wealth at retirement.

While this includes both KiwiSaver and non-KiwiSaver investments, my planning and investment recommendations are confined to those assets that NZ Funds Management will manage toward fulfilling your retirement wealth target.

I will work with you through a structured planning process to define your retirement wealth goals, assess your risk profile, and develop a financial strategy that aims to realise those goals. You will receive a financial strategy which documents my advice and my proposed investment portfolio structure and allocations.

The Wealth Accumulation Strategy does not include specific advice on insurances and/or estate planning issues. However I may provide some general observations in relation to these issues and/or I may recommend that you seek specific professional advice.

Retirement Income Strategy

The Retirement Income Strategy is designed for those nearing or in retirement and seeking to achieve a sustainable income in retirement utilising the wealth they have accumulated during their working life. It also includes those who have excess capital that they may not necessarily need to fund their retirement.

I will work with you through a structured planning process to define your retirement income and personal spending goals, assess your risk profile, and develop a financial strategy that aims to realise those goals.

You will receive a financial strategy which documents my advice and my proposed investment portfolio structure and allocations. My planning and investment recommendations are confined to those assets that NZ Funds Management will manage toward fulfilling your retirement income goals.

The Retirement Income Strategy does not include specific advice on insurances and/or estate planning issues. However I may provide some general observations in relation to these issues and/or I may recommend that you seek specific professional advice.

Private Wealth Management Strategy

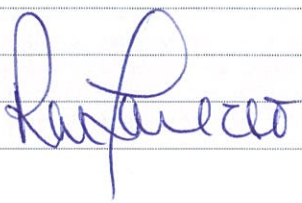
The Private Wealth Strategy is for those who have, or are likely to have, financial capital meaningfully in excess of that required to fund their retirement income and who have investment goals and/or considerations beyond just retirement income (for example, legacy, wealth transfer or charity goals).

The formulation of a Private Wealth Management Financial Strategy requires a detailed understanding of your financial situation, investment goals and attitude toward risk. It also involves a detailed analysis of your current investments and, if required, your personal insurances and estate planning issues.

Where appropriate and agreed with you, I may also engage other professionals or make referrals to provide specialist advice. I may coordinate the delivery of these recommendations to you. Where I do so, the recommendations remain those of the person making them.

Signatures

Client Name	Adviser Name
Agreed Strategy	Limitations
Client Signature/Date	Initial Advice Fee
Client Signature/Date	Adviser Signature/Date



No Suitability Analysis Plan/No Documented Plan Required:

I urge all of my clients to go through the key steps in the financial planning process with me including suitability/needs analysis and the documentation of findings and recommendations in a plan. Clients can however instruct me that they want to have no suitability analysis completed and/or no plan completed.

Clients must understand that taking such a step means no assurances can be provided as to the fit of any recommendations as to the client risk profile, circumstances or that it will contribute to the achievement of their financial needs and objectives.

Signatures

Client Name	Adviser
Client Signature	Limitations
Client Signature/ Date	Adviser Signature/Date

Other Services Required – please tick

- Tax Return Services**
Estate and Asset Protection Planning
- Wills, Enduring Power of Attorney, Family Trust, Inheritance Trust(s), Recommendations

Please note that the Financial Markets Authority (FMA) monitors financial advisers. As part of that process, the FMA may review my client files to ensure I have complied with my financial adviser obligations. Any personal information will be dealt with by the FMA in accordance with the Privacy Act 1993.