

Disclosure Statement

David Edwin Wilson

FSP102229

Company: Quadrant Financial Services Limited
Trading as: SHARE
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This document is current as at 9 May 2011.

Introduction

David Wilson is a Registered Financial Adviser and can be found on the Register. Go to www.fspr.govt.nz

This document complies with the disclosure requirements under the Securities Markets Act 1988 and sets out the disclosure required to be made in relation to your financial adviser.

The following are details, which are deemed to be relevant about *David Wilson's* role as an investment adviser and about Quadrant Financial Services Limited.

Details of the firm

David Wilson is a current shareholder and director of Quadrant Financial Services Limited. David is an employee of Quadrant Financial Services Limited.

Quadrant Financial Services Limited offers full financial services to clients.

Quadrant Financial Services Limited is a Distributor and Shareholder of SHARE NZ Ltd, trading as SHARE.

SHARE NZ Ltd has agreements with insurance companies, lending institutions and other suppliers of financial services. SHARE NZ Ltd may procure further agreements which provide benefits to Distributors which they may not otherwise be able to access. Quadrant Financial Services Limited is not a representative or agent of SHARE NZ Ltd. Quadrant Financial Services Limited is independently owned and operated.

The Distributor Agreement with SHARE NZ Ltd requires that my company comply with the Distributor's Obligations under this agreement including but not limited to; use of brand, standards, operating in the best interest of clients, employment of suitable personnel, membership of professional bodies, compliant systems, processes and policies of record keeping, ongoing training, access for audit and the maintenance of good industry and client relations.

Quadrant Financial Services Limited is obligated to provide advice, products and services that are in the best interests of each individual client irrespective of any agreements with suppliers.

Quadrant Financial Services Limited has entered into a joint venture arrangement with Milestone Financial Services (Canterbury) Ltd. Under this arrangement Milestone Financial Services (Canterbury) Ltd has been contracted to provide comprehensive financial planning advisory and implementation services to a limited number of Quadrant Financial Services clients. Milestone Financial Services (Canterbury) Ltd provides these services for a fee and/or commission and brokerage split with Quadrant Financial Services Limited. Revenue relating to this arrangement is paid into two service companies, Milestone Financial Planning Limited (GST registered) and Milestone Financial Services (South) Limited (non-GST registered).

Experience and qualifications

David Wilson has been providing investment/insurance advice in various forms since 1971. David became a full time financial adviser in 1990, establishing Wilson Consulting Group Limited.

David Wilson has the following qualifications:

- 1969 completed Diploma of Agriculture, Lincoln College.
- Attended and completed the course for the FPG introduction to Financial Planning course 1992.
- In 2009 David received Adviserlink's Certificate of Competence in the FastTrack Foundation Skills Programme.

David keeps up to date through:

- a. meeting the mandatory number of continuing professional development hours as per the Institute's continuing professional development guidelines.
- b. attending the annual industry conferences.
- c. reading widely.
- d. purchasing comprehensive investment research from a number of sources.

Professional memberships

David Wilson is a member of the Professional Advisers Association Inc (PAA) and complies with the PAA's Code of Ethics and Practice Standards in all facets of his practice.

Professional Indemnity Insurance cover

In accordance with industry standards, and for your protection, Quadrant Financial Services Limited and David Wilson are covered under a professional indemnity insurance policy to the level required by the Institute. This policy provides insurance cover against breach of professional duty by Quadrant Financial Services Limited and/or David Wilson.

Dispute resolution facilities

If you have a problem, concern, or complaint about any part of my service, please tell me so that I can try to fix the problem using SHARE'S complaints process.

If we cannot agree on how to fix the issue, or if you decide not to use our complaints process you can contact Financial Dispute Resolution of which I am a member. This service will cost you nothing, and will help us resolve any disagreements.

You can contact Financial Dispute Resolution at:

Level 9, 109 Featherston Street, Wellington 6011

Telephone: 0508 337 337

Email: enquiries@fdr.org.nz

Products on which advice is given

Quadrant Financial Services Limited gives advice in relation to the following types of products:

Savings and investment products

- Finance company debentures & capital notes
- Superannuation and KiwiSaver
- Combined risk and savings
- Tax paid investment bonds
- Bank accounts and term deposits
- Cash management funds
- Unit trusts
- Group investment funds
- Mortgages

Direct equities and fixed interest securities

- Listed public companies
- Annuities

Risk products

- Life cover
- Accidental death cover
- Disability income protection
- Trauma cover
- Living insurance
- Business overheads cover
- Mortgage protection insurance
- Partnership insurance
- Key person protection insurance
- Medical insurance
- General insurance

Product providers

Quadrant Financial Services Limited may place investments with almost any investment provider.

When it comes to risk management products, superannuation funds and insurance bonds, *Quadrant Financial Services Limited* needs to have a detailed agency agreement in order to place business. *Quadrant Financial Services Limited* has agency agreements for the sale of these products with the following suppliers:

- Accuro
- American International Assurance Company Limited (AIA)
- AMP Life Limited
- Asteron Life Limited
- AXA New Zealand
- Fidelity Life Assurance Company Limited
- OnePath Life (NZ) Limited
- Pinnacle
- Sovereign Assurance Limited
- Southern Cross Medical Care Society
- Tower Health & Life Limited

Other investment products will have the normal supplier intermediary relationship that does not entail a detailed agency agreement to be signed. Appendix A to this document lists those companies.

Procedures for handling investment money or investment property

The following system and procedure is used for receiving client funds:

1. Select Wealth Management wrap clients:
 - The investment management service (wrap service) is provided via an independent custodian, which holds investments collectively on behalf of the client.
 - All money that is to be invested (payable via cheque or direct bank transfers) is payable directly to the custodian of the wrap service as applicable.
2. For clients whose investments are held elsewhere:
 - A membership fee of \$450 plus GST and/or an hourly fee of \$200 per hour plus GST, if applicable, is payable to Quadrant Financial Services Limited. Payments may be made via direct credit on a monthly, quarterly or annual basis to Quadrant Financial Services Limited bank account or annually via cheque to Quadrant Financial Services Limited and crossed 'not transferable account payee only'.
 - An auditor is not employed as Quadrant Financial Services Limited is not holding nor does it operate a trust account.
 - Neither Quadrant Financial Services Limited nor David Wilson in any circumstances use clients' money or property for the benefit of any other person or ourselves. This applies to monies that are to be invested. Monies that are paid to us as fees are used to pay overheads and expenses and personal remuneration.

The records Quadrant Financial Services Limited keeps that relate to the investment of money are:

- a. A photocopy of the completed cheque and application form which is kept in the client's personal file.
- b. The details of the investment are entered on to our portfolio reporting system immediately after an investment is made.
- c. We manually update the client's personal file with details of the investment.
- d. During normal working hours, all clients have access to their personal file should they wish to check the accuracy of the information contained therein.

Remuneration received by Quadrant Financial Services Limited

The professional fees charged by Quadrant Financial Services Limited will vary according to the nature of the services provided, as outlined below.

1. Fees for non-Select Wealth Management wrap service clients:

Quadrant Financial Services Limited charges a flat fee of \$450 plus GST per annum if applicable. This means the initial consultation is free but the preparation of the financial plan, the implementation of the advice and the ongoing reporting on that plan is all included in this fee.

An entry fee may be charged on certain investments. The precise dollar value of the fees on any investment product recommended will be disclosed prior to implementation.

Quadrant Financial Services Limited charges an hourly fee of \$200 per hour plus GST if applicable.

2. Fees for Select Wealth Management wrap service clients:

Type of fee	Maximum fee payable
Entry fee	5%
Adviser annual monitoring fee	2.0%

All fees will be deducted from the client's Cash Transaction Account on a monthly basis.

Fee rebates

In many instances, commissions and trails paid by the product provider for the funds invested by the client will be credited to the client's Cash Transaction Account. This will be determined once Quadrant Financial Services Limited is more aware of the nature and scope of the engagement.

These fees provide the following benefits:

- as much access to David Wilson or any Quadrant Financial Services Limited adviser as the client requires over a 12 month period during normal working hours

- preparation of valuation reports and covering letters and any recommended investment modifications
- quarterly newsletters
- attendance at our client seminars and any public seminars we are conducting
- copies of reports that we produce
- comprehensive tax reports for Select Wealth Management wrap service

Quadrant Financial Services Limited is eligible to receive commissions, bonuses, rebates and non monetary payments from product providers in relation to the sale of products. Details on these payments are provided in Appendix A and B. Please note that Quadrant Financial Services Limited will often provide discounts on the commission it receives, particularly if the sum being invested is substantial. The discount reflects the sum of money being invested and the fact that this sum obviously brings economies of scale in Quadrant Financial Services Limited's time, effort and procedures.

Contact Details

My business address, telephone and fax numbers are as set out above.

No Criminal Convictions

1. In accordance with the Securities Markets Act 1988, I hereby certify that in the preceding five years neither I nor any principal officer of Quadrant Financial Services Limited has been:
 - a. Convicted of an offence under the Securities Act 1978, the Securities Markets Act 1988 or the Investment Advisers (Disclosure) Act 1996, or of a crime involving dishonesty (as defined in Section 2(1) of the Crimes Act 1961)
 - b. A director or principal officer of a company that committed an offence under any of the Acts listed above or an offence involving dishonesty as defined above
 - c. Adjudicated bankrupt
 - d. Prohibited by law from taking part in the management of a company or a business
 - e. The subject of an adverse finding by a court in any proceeding taken against me in my capacity as an investment adviser, or
 - f. Expelled from or have been prohibited from being a member of a professional body
2. I also certify that Quadrant Financial Services Limited has not been placed in statutory management or receivership in the preceding five years.

Interests

The Securities Markets Act 1988 requires advisers to disclose any direct or indirect pecuniary or other interest that they may have in the giving of investment advice. In the case of David Wilson I disclose that I am a director shareholder of Milestone Financial Services (South) Limited and Milestone Financial Planning Limited joint venture companies in association with the Principals of Milestone Financial Services (Canterbury) Ltd.

Declaration

We declare that this document when completed and signed complies with all the requirements of the Securities Markets Act 1988 and incorporates the minimum standards of disclosure, in terms of the Code of Ethics and Practice Standards required by the Institute.

Yours sincerely
 Quadrant Financial Services Limited

David Wilson
Financial Adviser

- Appendices:** A. Investment product commissions
 B. Risk product commissions and Savings and Superannuation commission

Client acknowledgment

I, acknowledge receipt of the Disclosure Statement
 for: David Edwin Wilson.

Signed: Date:

Investment Product Commissions*

Quadrant Financial Services Limited

The information provided in this Appendix is current as at 9 May 2011.

Quadrant Financial Services Limited via David Edwin Wilson is eligible to receive commissions on the following products according to the schedule below. Please note that these are the maximum commissions payable and in many cases these may be discounted, especially if a client is investing substantial sums. **Note:** Specific commission rates will be disclosed in writing to the client in relation to specific investments prior to investments being placed.

Product provider	Max. initial commission as a % of each investment made	Max. Ongoing commission as a % of total value of investment
Direct shares and direct fixed interest		
Forsyth Barr Ltd	1.00	Nil
Craigs	1.00	Nil
Managed Funds		
OnePath (NZ) Ltd: Private Portfolio Service, Enhanced Yield Fund, Credit Opportunities Fund	5.00	1.00
Macquarie Bank Ltd: Gilt Edge Access Account, Cash Management Fund	Nil	0.30
Cash management trusts and fixed interest investments		
Fund Managers Canterbury Ltd: Canterbury Mortgage Trust Group Investment Fund	Nil	0.50
LM Investment Management Ltd		1.00
Marac Finance Ltd	0.75	Nil
UDC Finance Ltd	Nil	0.25
Speciality products		
Man Investments Australia Ltd: OM-IP Series	4.00	0.50
Mint Asset Management Ltd	5.00	0.50
Liontamer Investments Ltd	5.00	0.35
Currency Online	10% of gross profit on transaction	Nil
Wrap Account (Master Trust)		
Sovereign Services Ltd: Select Wealth Management	5.00	2.00

Non-Monetary Benefits

From time to time, Quadrant Financial Services Limited may receive certain non-monetary benefits from product providers. This could include gratuities such as bottles of wine at Christmas time, a free calendar, pen or book, the occasional luncheon, drinks after a briefing session, invitations to sporting events, etc.

* These commissions may be subject to change and specific commission rates will be disclosed in writing to the client in relation to specific investments prior to investments being placed.

Mortgage Commission

Quadrant Financial Services Limited

The information provided in this Appendix is current as 9 May 2011.

Product	Product Provider	Max. initial commission as a % of total mortgage	Ongoing % of mortgage balance
Mortgage providers	ANZ	0.65	0
	ASB	0.60	0
	National Bank	0.60 – 0.70%	0
	NZF	0.50 – 0.75	0.20
	Sovereign Home Loans	0.45	0.20
	Westpac	0.65	0
	AMP Home Loan	0.45	0.125

Non-Monetary Benefits

From time to time, Quadrant Financial Services Limited may receive certain non-monetary benefits from product providers. This could include gratuities such as bottles of wine at Christmas time, a free calendar, pen or book, the occasional luncheon, drinks after a briefing session, invitations to sporting events, etc.

* These commissions may be subject to change and specific commission rates will be disclosed in writing to the client in relation to specific investments prior to investments being placed.

Risk Product Commissions*

Quadrant Financial Services Limited

The information provided in this Appendix is current as 9 May 2011.

Product	Product Provider	Max. initial commission as a % of annual premium	Ongoing % of annual premium
Risk products including medical insurance, term life, income protection, trauma, TPD	Accuro	30	15
	Asteron Life Ltd.	100	1
	(AXA NZ): The National Mutual Life Association of Australasia Ltd.	20	20
	AIA: American International Assurance Company Ltd.	150	4
	AMP Life Ltd.	85	5.7
	Fidelity Life Assurance Company Ltd.	90	5
	OnePath Life (NZ) Ltd.	150	7.5
	Pinnacle	75	0
	Sovereign Assurance Company Ltd.	230	25
	Southern Cross Medical Care Society	30	15
Tower Health and Life Ltd.	70	17	

Non-Monetary Benefits

In addition to the above, Quadrant Financial Services Limited may be eligible for loyalty and bonus payments from certain insurance companies and gratuities such as bottles of wine, a free calendar, pen or book, the occasional luncheon, drinks after a briefing session, invitations to sporting events, etc..

* These commissions may be subject to change

Savings and Superannuation Product Commissions*

Quadrant Financial Services Limited

The information provided in this Appendix is current as at 9 May 2011.

Product	Product Provider	Max. initial commission as a % of annual premium	Max. Ongoing commission as a % of total value of investment
Superannuation,	OnePath (NZ) Ltd: SIL Mutual Fund	5.00	1.00
	Sovereign Services Ltd: Select Wealth Management	5.00	2.00
Regular Savings Products	Sovereign Services Ltd	5.00	2.00
Kiwisaver		Max. Placement Fee/application:	
	Aon New Zealand Ltd.,	Nil	0.25
	AMP Services (NZ) Ltd.	Nil	0.25
	ASB Group Investments Ltd.	\$50	0.20
	AXA New Zealand : National Mutual Corporate Superannuation Services Ltd		
	Craigs Investment Partners		
	Fidelity Life Assurance Company Ltd.	\$30	0.25
	Fisher Funds Management Ltd.	Nil	Nil
	Grosvenor Financial Services Group Ltd	\$30	0.50
	OnePath (NZ) Ltd	Nil	0.25
	NZF Huljich	\$35	0.15
	Tower Employee Benefits Ltd.	\$50	0.25

Non-Monetary Benefits

In addition to the above, Quadrant Financial Services Limited may be eligible for loyalty and bonus payments from certain insurance companies and gratuities such as bottles of wine, a free calendar, pen or book, the occasional luncheon, drinks after a briefing session, invitations to sporting events, etc..

* These commissions may be subject to change and specific commission rates will be disclosed in writing to the client in relation to specific investments prior to investments being placed.