

AMP QFE Disclosure Statement - Nominated Representatives

Category 1 and 2 Products

Contact details

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This disclosure statement was prepared on 30th May 2017.

It is important that you read this information.

The information contained in this disclosure statement will help you to decide which financial adviser to choose.

We may also provide you with more information later that will also be important for the financial decisions you make.

What sort of adviser are we?

AMP is a Qualifying Financial Entity (QFE).

You can check our QFE status and whether any other entities are part of the QFE Group on the Financial Service Providers Register at www.fspr.govt.nz

What does this mean?

This means that AMP takes responsibility for the financial adviser services provided by advisers that are employed or nominated by us ("QFE Advisers"). This includes making sure that QFE Advisers exercise care, diligence and skill in providing financial advice to you. QFE Advisers do not have to be individually registered or authorised.

We have agreements with AMP Adviser Businesses that allows those AMP Adviser Businesses to engage advisers to sell the financial adviser services and financial products made available by AMP. These advisers are appointed as nominated representatives of AMP's QFE (**Nominated Representatives**). We also employ individuals who provide financial adviser services (**Employee Advisers**).

Graeme Bodley of Greenstone Insurance Ltd trading as Greenstone Insurance is a nominated representative of AMP's QFE. This disclosure statement provides general information about the financial adviser services provided by Nominated Representatives, and also provides specific information about the financial adviser services provided by Graeme Bodley.

What services can our QFE Advisers provide to you?

Our QFE Advisers can provide financial advice on the Category 1 and Category 2 products listed below.

Our QFE Advisers are only permitted to provide financial adviser services on those Category 1 and Category 2 products that have been approved by AMP, and that the QFE Adviser has accreditation for under the terms of their AMP Practising Certificates. Your QFE Adviser will notify you of any restrictions.

Category 1 Products

Our QFE Advisers are only able to provide financial advice in respect of those Category 1 products where AMP is the issuer or manager of the product. This means that AMP is both the product provider as well as taking responsibility for the financial advice provided in respect of the product.

Our QFE Advisers provide financial advice on the following Category 1 financial products:

- Unit trusts (AMP Investment Suite, Client Unit Trust and AMP Savings & Investment Portfolio Unit Trust)
- Superannuation (AMP KiwiSaver Scheme, New Zealand Retirement Trust, AMP Business Superannuation, AMP Savings & Investment Portfolio Personal Retirement Plan)
- Whole of life and endowment policies issued from 1 January 2009 (issued by AMP Life Limited)

Additional information about Category 1 products is provided under the section headed **More information about Category 1 products**

Category 2 Products

Our QFE Advisers provide financial advice on the following types of Category 2 products:

- Life insurance policies
- Whole of Life and endowment policies issued before 1 January 2009
- Health insurance policies
- Lending
- General Insurance policies
- Travel insurance policies

These products may be provided by the AMP Group and other third party product providers who have been approved by AMP.

Our QFE Advisers cannot provide:

- financial advice about financial products other than those set out above
- an investment planning service
- licenced services or Discretionary Investment Management Services

If you need these services we can refer you to one of our Authorised Financial Advisers.

Costs

You should be aware that all products have initial and ongoing costs, for example:

- For insurance products, annual premium costs will be required to keep the insurance in place.
- For investment products, there may be entry fees, as well as ongoing costs, such as annual management fees, monthly member fees, portfolio servicing fees and transaction costs.

Your QFE Adviser will advise you of these costs before you purchase a financial product.

Other licensed services we provide

In addition to being a QFE, AMP is also licensed by the Financial Markets Authority (FMA) to provide Discretionary Investment Management Services from 31 August 2015.

What should you do if something goes wrong?

If you have a problem, concern or complaint about any part of the services we provide, in the first instance you may contact us by phone, email, or by writing to us at the address above.

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 & Financial Services Ombudsman Scheme.

This service is free, and will help us resolve any disagreements. You can contact the Insurance & Financial Services Ombudsman Scheme at:

PO Box 10-845, Wellington, 6143
04 499 7612 or freephone 0800 888 202
info@ifso.nz

Who licenses and regulates us?

AMP is licensed and regulated by the FMA for its financial adviser services. You can contact the FMA for more information about financial advisers. You can also report information about us or our QFE Advisers to the FMA (but if you want to complain you should use our dispute resolution procedures set out under the heading "**What should you do if something goes wrong?**"). You can contact the FMA at:

PO Box 1179, Wellington 6140
04 472 9830 or freephone 0800 434 567
www.fma.govt.nz

More information about Category 1 products

What fees will you be charged

Policies placed through Graeme Bodley's General Insurance brokerage, Greenstone Insurance (part of the Insurance Advisernet Group) contain fees.

How does AMP get paid?

When you purchase a Category 1 product AMP and its related companies receive remuneration from the product fees that you pay. All current fees that are payable by you in relation to Category 1 products are set out in the Investment Statement for that particular product, which your QFE Adviser will provide to you before you invest.

AMP and its related companies pay wholesale managers, various fund managers (which may include AMP Wealth Management (NZ) Limited, a related company of AMP), Adviser Businesses and other parties out of the remuneration they receive, and retain a variable percentage dependent upon the product and arrangements with the various parties.

How do our AMP Advisers get paid?

Greenstone Insurance may receive all or some of the following types of remuneration when Category 1 products are sold:

- Up-front/initial commission
- Servicing commission
- Investment product commission
- Assets under management commission

All commission is paid by the particular product provider. Commission on all products is paid from AMP to Greenstone Insurance which then pays Graeme Bodley.

In addition to product commission, Greenstone Insurance or Graeme Bodley 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.

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.

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

Depending on the total volume of business that QFE Advisers place with a particular product provider, they 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.

The rewards and benefits outlined above, and the value of such rewards or benefits, will be received is not known at this time, and will not be known until sometime after the financial adviser service has been provided to you. Whether or not 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 provided to you. Instead, these rewards and benefits may be based on the collective business generated for that product provider.

It is not practicable to provide you with the specific remuneration AMP, Greenstone Insurance or Graeme Bodley may receive when Graeme Bodley provides a financial adviser service to you. You will be provided with further details of the amount or rate of such remuneration (to the extent practicable) and the name of the person it is received from receiving the financial adviser service

We manage any conflicts of interest that may arise from the receipt or possible receipt of the above types of remuneration by requiring that our QFE Advisers consistently meet the appropriate standards of quality.

Relevant Interests, Relationships and Associations

AMP may from time to time be an issuer, provider, manager or trustee of Category 1 products in respect of which you are receiving the financial adviser services and to which this disclosure statement applies. This is a potential conflict of interest in receiving financial adviser services from a product provider.

There are a number of related companies that provide services to AMP in relation to Category 1 products:

AMP Capital Investors (NZ) Limited is the underlying fund manager for a number of the funds that are offered in Category 1 products.

AMP Wealth Management New Zealand Limited provides investment management services to us in relation to financial products of which we are the issuer or manager, including AMP KiwiSaver Scheme, AMP Investment Suite, AMP Savings & Investment Portfolio, and AMP New Zealand Retirement Trust.

AMP Life Limited wholly owns AMP so may materially influence the financial adviser services we provide. AMP Life Limited is also the issuer of some of the AMP branded Whole of Life and Endowment Category 1 products.

Greenstone Insurance Ltd and Graeme Bodley

Graeme Bodley has an employment agreement with Greenstone Insurance Ltd, which has an agreement with AMP. This allows Greenstone Insurance Ltd to sell and engage advisers to sell financial products and services made available by AMP.

Greenstone Insurance Limited

I am a director of Greenstone Insurance Limited.

I hold 1% of the shares in Greenstone Insurance Limited personally. I also hold a further 98% of the shares in Greenstone Insurance Limited jointly in my capacity as trustee of the Graekat Trust.

As I am a director and shareholder of Greenstone Insurance Limited, I may also receive a 100% share of any of its profits that are distributed, and may take drawings from the company when required, some of which may be directly or indirectly related to my sales of financial products and providing financial services.

I do not have any other interest in Greenstone Insurance Limited.

Graekat Trust

I am a trustee and beneficiary of the Graekat Trust.

The Graekat Trust is a 98% shareholder in Greenstone Insurance Limited, and as such may receive a 98% share of any of its profits that are distributed, and may take drawings from the company when required, some of which may be directly or indirectly related to my sales of financial products and providing financial services.

As I am a beneficiary of the Graekat Trust, I may also receive a share of any of its assets or profits that are distributed, some of which are directly or indirectly related to my sales of financial products and providing financial services. Such distributions are discretionary, and of no specific amount.

I do not have any other interest in the Graekat Trust.

Relatives

My wife is a trustee and beneficiary of the Graekat Trust mentioned above. My three children are also beneficiaries of the Graekat Trust. As beneficiaries of the trust, my wife and children may receive a share of any of its assets or profits that are distributed, some of which may be directly or indirectly related to my sales of financial products and providing financial services. Such distributions are discretionary, and of no specific amount.

Greenstone Finance Limited

I hold 1% of the shares in Greenstone Finance Limited personally. I also hold a further 98% of the shares in Greenstone Finance Limited jointly in my capacity as trustee of the Graekat Trust. This is a funding company that provides funding to clients for fire & general policy premiums. I may take drawings from the company when required.

Greenstone Insurance Hawkes Bay Limited

I am a director of Greenstone Insurance Hawkes Bay Limited.

I hold 1% of the shares in Greenstone Insurance Hawkes Bay Limited personally. I also hold a further 98% of the shares in Greenstone Insurance Hawkes Bay Limited jointly in my capacity as trustee of the Graekat Trust.