

Disclosure Statement *Stuart Colin Scott*

Dated: 1 June 2009

Trading Name: SavingWorks (NZ) Ltd

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New Zealand.

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Introduction

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

The following are details, which are deemed to be relevant about Stuart Colin Scott's role as an investment adviser and about SavingWorks (NZ) Ltd.

Details of the Firm

Stuart Scott has been investing on his own behalf since 1986. Following a 20yr career as an engineer with a global corporate he began operating as a full time Financial Adviser in 2003. Between 2003 and 2007 Stuart was associated with a smaller advisory business and then as an independent adviser associated with a national dealer group. Since 2004 Stuart has been marketing his business through his website, savingworks.co.nz. He registered SavingWorks (NZ) Ltd in Nov 2007

Qualifications/Experience/Professional Memberships

Stuart Scott has been an investor on his own behalf since 1986 and a full time Financial Planner since 2003.

He has attained the following relevant qualifications:

- Graduate Diploma in Personal Financial Planning (Massey University), obtained 2003.
- Master of Science (Cranfield Institute of Technology, UK) obtained 1977.
- Bachelor Technology (Massey University), obtained 1973.

Stuart Scott has kept his financial planning qualifications up to date by:

- a. Attending supplier training courses
- b. Attending Industry Conferences
- c. Regularly travelling overseas
- d. Extensive reading of financial press and research reports
- e. Subscription to leading international research providers

Industry Professional Body and Dispute Resolution Facilities

I am a member of the Professional Advisers Association (PAA). This organisation sets professional standards of conduct for its members and provides a complaints resolution service if I am not able to resolve a matter that arises between a client and me. The contact person for client complaints is *Chief Executive Officer, Professional Advisers Association, PO Box 38105, Wellington Mail Centre.*

Stuart is also a member of the Society of Independent Financial Advisers (SIFA).

Professional Indemnity Insurance cover

For your protection I am covered for \$1,000,000 under a Professional Indemnity Insurance Policy issued by Lumley General Insurance (NZ) Ltd.

Products

Stuart Scott gives advice in relation to the following types of products:

Risk Products

Stuart can give advice on specialist Business Insurance Products from ING, Tower, Fidelity and AIG.

UK Pension Transfer

Stuart is authorised by AXA, ING and Fidelity to manage the transfer of funds from UK Pension providers into their New Zealand based QROPS registered funds.

Savings Products

- Fixed Interest Capital Bonds
- Combined risk and savings
- Term deposit bonds
- Cash management funds
- Group investment funds
- Syndicated commercial property
- Mortgages
- Direct equities and fixed interest securities
- Superannuation and Kiwisaver
- Tax paid investment bonds
- Bank accounts
- Unit trusts
- Property investments
- Venture capital opportunities
- Promissory notes
- Bonus Bonds
- Listed Public Companies
- Unlisted public companies
- Annuities
- Geared Investments
- Commodities
- Managed Futures
- Forestry

Product Providers

Stuart Scott may place investments with almost any investment provider.

These 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.

Money Handling Procedures

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

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1. 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. Neither my company nor I operate a Client Trust Account. All investment monies received from clients will be delivered to the appropriate product issuer for processing as soon as practicable after being received from the client. All property will be dealt with in a confidential and secure manner.

3. All money that is to be invested will be via cheque and the cheque is to be written out directly to the product provider or their nominee and crossed “not transferable account payee only”. We will provide a receipt for this cheque in the form of photocopying your completed cheque and signed application form and retaining this copy in your personal file.

The records that we keep that relate to the investments of money are:

- a. A photocopy of the completed cheque and application form that is kept in the client’s personal file.
- b. For Portfolio Clients 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.
- e. An auditor is not employed as we are not holding client funds nor do we operate a Trust Account.
- f. Neither my company nor I 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.

Remuneration

Any remuneration received by Stuart Scott is used to pay the costs incurred in providing advice e.g.: office, staff and marketing costs along with his personal remuneration.

Stuart encourages all clients to manage their own portfolio. If you request that Stuart Scott manages / administers your portfolio then the charge is a flat fee of \$800 per annum, plus \$80 pa for each investment that he is required to manage in the portfolio.

1. Fees for wrap service clients:

Type of fee	Maximum fee payable
Entry fee	Up to 5% of invested amount
Adviser annual monitoring fee	Up to 1%pa of invested amount

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

Stuart Scott is eligible to receive brokerage, bonuses and non-monetary payments from product providers in relation to the sale of products. Details on these payments are provided in Appendix A.

Relationship with Product Suppliers

Stuart has no tied arrangement with any product provider. Accordingly all investment recommendations are based upon a client's need.

Personal Disclosure

1. My business address, telephone and fax numbers are as set out on the first page of this disclosure document.

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 SavingWorks (NZ) Ltd 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 SavingWorks (NZ) Ltd 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 Stuart Scott these are contained in Appendix A & B.

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.²

Yours sincerely
SavingWorks (NZ) Ltd.

Stuart Colin Scott DipFinPlan, MSc, BTech
Investment Adviser

APPENDIX A

**Securities Markets Act 1988
Disclosure Statement
Stuart Colin Scott**

Stuart Scott via, SavingWorks (NZ) Ltd., is eligible to receive brokerages from the following investment product providers in accordance with the schedule below. Please note that these are the maximum rates of brokerages payable by each product provider. In many cases these may be discounted, especially if a client is investing substantial sums.

Product	Product Provider	Maximum Initial Brokerage as a %	Max Ongoing % of total investment
Direct Shares and Direct Fixed Interest	Goldman Sachs JB Were NZ Ltd	1.5	Nil
	First NZ Capital	1.5	Nil
	ABNAMRO Craigs	1.5	Nil
	ASB Securities	1.5	Nil
Syndicated Property Companies	St Laurence Group	4.0	Nil
	Orchard Property	4.0	0 -.5%pa
	Opus Property	4.0	Nil
Unit Trusts and Group Investment	AXA (NZ) Ltd	5.0	1.0%
	Bankers Trust	4.0	0.35
	Hunter Hall	5.0	0.5
	Fidelity	5.0	1.0
	Fisher Funds	4.0	0.20
	P M Capital	4.0	0.5
	ING NZ Ltd	5.0	0.25
	JB Were Funds	4.0	0.30
	Macquarie Invest	3.5	0.40
	Perpetual	3.5	0.30
	Platinum Asset Management	Nil	Nil
	Private Portfolio Service	5.0	1.00
	Sovereign	3.5	0.30
	Tower	5.0	0.25
Westpac	5.0	0.25	

Product	Product Provider	Maximum Initial Brokerage as a %	Ongoing % of total investment
Cash Management Trusts	Macquarie Cash management Trust	Nil	0.25
Fixed Interest Investments	Finance Companies are not recommended.		
	Raboplus/AMP Capital	Nil	0.15

	Listed Rated Bonds	0.5%	nil
Kiwisaver	ING Sil Kiwisaver	Nil	0.25% pa
	Fidelity Kiwisaver	Nil	0.25%pa
Speciality Products	OMIP Funds	4.0	0.5
	Liontamer Funds	1.5%	Nil
	Life Settlements Funds	Nil	1.0%pa

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

APPENDIX B

Securities Markets Act 1988 Disclosure Statement *Stuart Colin Scott*

This information is correct as at October 2008. In accordance with Securities Markets Act 1988, I disclose the following direct and indirect interests that could possibly have some relevance in providing investment advice to you.

Stuart Scott is:

- Director and Shareholder of Twin Wire Company Ltd.,
- Director of Savingworks (NZ) Ltd.

Stuart Scott either directly or through his family trust owns:

Units in the following Unit Trusts, Group Investment Funds and Property Companies available to the public: Platinum, Fisher Funds, OMIP Funds, Equity Trustees, ING, St Laurence.

Shares and Bonds in public companies listed on the New Zealand, Australian, UK, Hong Kong and USA Stock Exchanges.

Stuart Scott also has investments directly and through Trusts in Residential properties. He has Health and Disability Insurance with Tower Health.

He is a Beneficiary and Trustee of the Corinth S and Corinth A Trusts.