

SECONDARY DISCLOSURE STATEMENT

Name: Gavin John Busch

Name and registration number of Authorised Financial Adviser: Gavin Busch, FSP7061

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Trading name: Avenue Advice Limited (FSP687131)

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This disclosure statement was prepared on **01 February 2020**

If there is any aspect of this disclosure statement that you do not understand, please ask me to clarify that aspect for you.

My experience and qualifications

I have been a full time Financial Planner since 2000 and provide advice on all mainstream financial products and investments in the three primary areas of property, equities and interest bearing securities for individuals and family trusts. I am experienced in the development of comprehensive financial plans which may include a broad range of financial, investment, retirement, taxation, estate planning and risk related issues.

I graduated with a Bachelor of Commerce Degree from Auckland University in Economics and Financial Accounting on the 21st September 1999 and completed the Graduate Diploma in Business Studies endorsed in Personal Financial Planning through Massey University on the 15th April 2005. I attained the internationally recognised Certified Financial Planner CM (CFPCM) professional designation on the 10th October 2005.

I keep my knowledge and qualifications up-to-date through continuing education (consisting of courses, seminars, technical briefings, product accreditation and conference workshops) for a minimum of twenty hours per year and sixty hours of continuing professional development every two years. This includes keeping up-to-date with changes to the Code of Professional Conduct for Authorised Financial Advisers and relevant consumer laws such as the Fair Trading and Consumer Guarantees Acts.

How I operate

Firstly I meet with clients to understand their objectives and financial situation and to determine whether or not my services might be of value to the client.

At this point, if the client wishes to utilise my planning service I will provide a quote for the cost of preparing that advice.

During the process of preparing my advice I will recommend a course of action specific to the client and specify any costs associated with the implementation of the plan and if required, it's ongoing monitoring or management.

Professional Bodies

I am a member of Financial Advice New Zealand (FANZ) and, as a condition of this membership I adhere to the FANZ Code of Ethics and FANZ Practice Standards in all facets of my practice.

I am also a member of the New Zealand Trustees Association and the Estate and Taxation Planning Council (NZ) Inc.

Professional Indemnity Insurance

I have professional indemnity insurance which covers all areas of my practice.

This insurance provides protection for clients for:

- Any error or omission;
- Acts of negligence;
- Defamation;
- Employee dishonesty or fraud; and
- Includes full "prior acts" protection.

The underwriter is NZI, part of IAG New Zealand Limited, under the FANZ Scheme.

Services and products I provide

I provide the following types of financial adviser services:

- Financial advice
- Investment planning services

Within the scope of my competency I am able to provide advice on the following areas: - Cash/Debt Management, Estate Planning, Retirement Planning, Risk Management, Taxation and Investments.

Where my knowledge/competency in a particular discipline is general in nature, I may recommend that you obtain further specialist advice, i.e. matters relating to Taxation, Estate Planning and certain types of insurance.

The financial adviser services I provide are in relation to the following financial products:

I am able to provide advice on all mainstream financial products and investments both listed and unlisted, and am not obligated to recommend the offerings of any one issuer. These products and investments include (but not limited to) Australian, New Zealand or international equities, bonds, deposits, debentures, property, insurance, foreign exchange (New Zealand and overseas), Managed Funds, Investment Trusts, Savings Plans, KiwiSaver, Superannuation Schemes, Unit Trusts and Private Equity.

Fees

A fixed fee or estimate of the fee range will be quoted for the preparation of a financial plan or written advice and is dependent on the extent of the work involved. This fee is payable to Avenue Advice Ltd and payable upon completion of the work commissioned.

Depending on the nature of my recommendations, there may be fees and costs attached to the implementation and, if applicable, the ongoing monitoring or management of the plan. When I have prepared the plan, I will provide you with a separate disclosure statement, which will detail any additional fees that would apply if you were to proceed with my advice.

Nearly all of the remuneration for advice implementation and ongoing monitoring received by myself under the Avenue Advice brand is in the form of the fee paid by the client for services rendered and not by any third party.

Other interests and relationships

I am a shareholder, director and employee of Avenue Advice Ltd (FSP687131).

As a consequence of any direct or indirect beneficial interests in the above entity, I may receive distributions by way of a share of profits or dividends (if applicable), which are additional to the income I receive as a financial adviser.

I also have sale and distribution agreements in place with a number of insurance companies including:

- AIA
- Partners Life
- AMP
- Fidelity Life
- Asteron
- Signa Life

I do not have any preferential terms or conditions (other than those readily offered to other market participants) or production performance agreements with any issuer or product provider.

I have an agreement with Booster to provide a service for UK Pension Transfers and with OneAnswer for custodian and reporting services.

I do not have any commercial relationships or contractual arrangements that present any particular conflicts of interest to consumers generally which would be reasonably likely to materially influence me in providing my financial adviser service to clients.

Remuneration

Prior to the completion of the financial plan or written advice I cannot predetermine what specific investment products and/or securities, if any at all, may be recommended.

Nearly all of the remuneration received by myself is in the form of the fee paid by the client for services rendered and not by any third party.

Accordingly, any recommendations made are without regard to any remuneration I may receive from a third party for providing that service or advice.

In order to preserve the integrity and impartiality of its management decision making processes, Avenue Advice receives absolutely no fee, commission, financial rebate or other reward from any third party investment issuer.

Avenue Advice may receive a fee or commission for placing business with certain product providers. The quantum of any such revenue is minor and represents around 10% of total revenue. If Avenue Advice will receive a fee or commission in connection with an investment or insurance recommended to you, I will disclose all details of such fee or commission in a fees and remuneration statement at the time of making the recommendation.

Avenue Advice standard policy is to rebate material commissions received from issuers in connection with your investment back to you. In some instances the amount of commission may be so small or impracticable to rebate in which case the amount of the rebate will be fully disclosed to you and (where applicable) our ongoing monitoring fee will be reduced to make allowance for such external payments.

Avenue Advice standards of professional and ethical practice require that advice to clients be in the interest of the client and above personal gain at all times. Avenue Advice advisers are prohibited from entering or participating in any schemes of arrangement, inducements or bonuses provided by investment and risk product providers for the purposes of attracting funds. Avenue Advice advisers do not operate under any investment quota or performance bonus arrangements.

Avenue Advice and/or its advisers may receive unsolicited and unanticipated benefits in the form of goods and or services from investment service providers, e.g. a “free” breakfast at an information briefing.

However, I do not knowingly partake in any form of reward program or accept any financial or other inducements offered by some financial product/service providers.

Management of any conflicts of interest

Due to my role as a Financial Planner/Adviser the potential for conflict of interest may be seen to exist. However, I believe that any such conflict is perceived rather than real for the following reasons:

- The company has a lengthy and enshrined policy of “client first” practice to which I am fully committed.
- Around 97% of client advice revenue is generated from ongoing client relationship/advice/monitoring rather than “product sales”. Given that this service is paid for direct by the client and utilised at the client’s total discretion, I believe there is little scope to gain personal benefits from third party inducement or favouritism and therefore creating a conflict of interest.
- As an adviser there is little difference to my personal remuneration between the different categories of ongoing management or monitoring service provided.
- As an adviser I receive no bonus or extra benefit from recommending a particular course of action to the client and Avenue Advice has internal advice monitoring controls in place to ensure that I or any other adviser are not placing our own interests before those of the client. This includes not acting for a client if our services are not consistent with their needs or situation.
- In the event that a commission may be received, this is fully disclosed prior to the signing of any documentation.
- Avenue Advice subscribes to an external insurance analysis service provided by QuoteMonster. As part of any insurance recommendation, full analysis is completed with the best highest-rated policy typically being the preferred option. We do not receive any commission override or booster for providing this analysis.

Declaration

I, Gavin John Busch, 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.

Signed: 