

RISK INSURANCE AND HOME LOANS

Sovereign QFE Group (Sovereign QFE) Disclosure Statement

Sovereign Employees

About this Disclosure Statement

The information provided in this Disclosure Statement is important. It describes the financial adviser services that Sovereign QFE provides and will help you choose a financial adviser who best suits your needs.

This Disclosure Statement was prepared on 28 September 2015.

Sovereign QFE Group

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74 Taharoto Road, Takapuna
Auckland 0622

Freephone: 0800 500 103
Email: enquire@sovereign.co.nz

Who regulates the Sovereign QFE Group?

Sovereign QFE is a Qualifying Financial Entity. This means that Sovereign QFE takes responsibility for the financial adviser services provided by its QFE advisers.

Because of Sovereign QFE's status as a Qualifying Financial Entity, Sovereign's QFE advisers do not have to be individually registered or authorised in order to provide the financial adviser services described below.

Sovereign QFE is licensed and regulated by the Financial Markets Authority (FMA) for its financial adviser services.

You can obtain information about financial advisers from the FMA and can report information about Sovereign QFE or its advisers to the FMA. The FMA's contact details are as follows:

Financial Markets Authority

PO Box 1179
Wellington 6140

Telephone: 04 472 9830 or Freephone: 0800 434 567
Website: fma.govt.nz

You can check the status of the Sovereign QFE and whether other companies are members of the Sovereign QFE Group on the register at fspr.govt.nz.

DISCLOSURE STATEMENT

It is important that you read this Disclosure Statement.

How can we help you?

This Disclosure Statement relates to QFE advisers who are employees of a Sovereign QFE member.

Sovereign's employees can provide financial advice in relation to the following categories of products:

- > Term life insurance (which includes Life, Total Permanent Disablement, Disability Income Protection, Living Assurance and Loan Protection insurance)
- > Compulsory group life insurance
- > Health insurance
- > Home loans

Our employees may only provide advice in respect of products provided (i.e. created) or distributed by the Sovereign QFE. Where products are provided by a member of the Sovereign QFE, this means that the QFE takes responsibility both for the advice and the product.

Remuneration and influences

The following is a general description of how our employees are remunerated and the main factors that may influence the advice they provide to you.

Sovereign's employees are remunerated by way of salary (including an annual bonus). Employees' annual bonuses are calculated in relation to various factors including the Sovereign QFE's overall financial performance, and customer service and satisfaction measures.

Those employees who sell Sovereign products directly to customers also receive commission and/or bonuses, which are determined by their meeting of certain sales performance criteria such as the volume of products sold and the proportion of such products that are subsequently cancelled. Employees who manage external advisers also receive a bonus based on the above criteria.

Our employees may be eligible to receive various non-monetary gifts and prizes from the Sovereign QFE, depending on their performance (including production targets where relevant).

Sovereign QFE's remuneration

The Sovereign QFE is remunerated by the premium payments made by clients who purchase Sovereign products or third-party products distributed by Sovereign. Your QFE adviser will tell you what these payments are for the products you are considering.

Complaints procedure

If you have a concern or complaint in relation to any service we provide, you can choose to initiate our internal complaints procedure by contacting us by phone, email or post at the address given for the Sovereign QFE on page 1 of this Disclosure Statement.

Dispute resolution scheme

If we cannot resolve the issue you can contact the Insurance & Financial Services Ombudsman Scheme.

This service is free of charge, and helps resolve any disagreements.

You can contact the Insurance & Financial Services Ombudsman Scheme at:

Insurance & Financial Services Ombudsman Scheme

PO Box 10-845
Wellington 6143
New Zealand

Telephone: 04 499 7612 or Freephone: 0800 888 202

Email: info@ifso.nz