

Investment Adviser Disclosure Statement

Catherine Hume

This disclosure document has been prepared in accordance with section 41A of the Securities Markets Act 1988 and the Securities Markets (Investment Advisers and Brokers) Regulations 2007 for Perpetual Trust Limited in respect of itself and its principal officers.

This document was prepared on **22 March 2011** and incorporates the disclosure statement for my employer, Perpetual Trust Limited.

Originating in 1884, Perpetual is a wholly owned subsidiary of NZX-listed Pyne Gould Corporation and a proud New Zealand owned authorised trustee company and provider of comprehensive financial solutions.

Perpetual Trust Limited

Address: 57 Waterloo Road, Hornby, Christchurch 8042, PO Box 112, Christchurch 8140
Phone: +64 3 363 6415 or 0800 737 738
Fax: +64 3 379 8608
Email: catherine.hume@perpetual.co.nz

How We Operate

When we give advice, we follow the internationally recognised six-step process:

1. Establishing the client-adviser relationship;
2. Gathering client data and determining your goals and expectations;
3. Analysing and evaluating the client's financial position, cash and debt management, retirement planning, estate and tax, and/or investment needs;
4. Developing and presenting our written advice;
5. Overseeing the implementation of the plan; and
6. Monitoring and reviewing the plan.

This can require a series of meetings with a prospective client before our advice is finalised. It also means we maintain a close ongoing relationship with clients, regularly reviewing progress and working with them over time to ensure their goals can be met.

The services we provide will depend on your needs. They may include any or all of those detailed in this Disclosure Statement.

Our advice will take account of your personal objectives, financial situation and needs. It will be clear and concise, with enough detail for you to make an informed decision about whether to act on it.

Investment Adviser

I am employed by Perpetual Trust Limited as an investment paraplanner.

Experience

I am an investment paraplanner and have been practising since joining Perpetual Trust Limited in September 2009.

Qualifications

I have a graduate Diploma in Business Studies (Personal Financial Planning) from Massey University awarded in 2008. I am a Certified Financial Planner^{CM} (CFP^{CM}) practitioner.

I keep my qualifications up-to-date by completing at least 60 hours of Continuing Professional Development (CPD) every two years. CPD hours relate to participation in relevant courses, briefings, conferences and educational activities.

Professional and Regulatory Bodies

I am a member of the Institute of Financial Advisers ("IFA") and, as a condition of my membership, I adhere to the IFA Code of Ethics and IFA Practice Standards in all facets of my practice.

In compliance with the recently introduced Financial Service Providers Act, both Perpetual and myself are registered under the Act, this governs what services I am able to provide as a Financial Adviser. For more information on the Act visit www.business.govt.nz/fsp.

Professional Indemnity Insurance

In compliance with the IFA Code of Ethics, I have professional indemnity insurance which covers all my areas of practice described in this Disclosure Statement.

Dispute resolution

In the event of a dispute you should first contact me or:

Tracey-Lee Pettifer
Head of Adviser Services
Perpetual Portfolio Management
PO Box 112
Christchurch 8140
Phone: 09 927 9507
tracey-lee.pettifer@perpetual.co.nz

If the matter is not resolved in this way you should contact Financial Services Complaints Limited (FSCL) our independent disputes resolution provider by telephoning 0800 347 257 during business hours or at PO Box 5967, Lambton Quay, Wellington 6145.

Investment Adviser Disclosure Statement

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Disclosure of Certain Criminal Convictions

Perpetual Trust Limited confirms that during the last five (5) years, Perpetual Trust Limited has not been placed in statutory management or receivership.

I confirm that I have not been, and Perpetual Trust Limited confirms that neither it, nor any principal officer of Perpetual Trust Limited has, within the last five years, been:

- convicted of an offence under the Securities Markets Act 1988 or the Securities Act 1978, or for a crime involving dishonesty (as defined in section 2(1) of the Crimes Act 1961); or
- a principal officer of a body corporate, if a body corporate committed an offence under the Securities Markets Act 1988, or the Securities Act 1978, or of a crime involving dishonesty (as defined in section 2(1) of the Crimes Act 1961); or
- adjudged bankrupt; or
- prohibited by an Act or by a court from taking part in the management of a company or business; or
- the subject of an adverse finding by a court in any proceeding that has been taken against me in my capacity as an investment adviser, or in relation to Perpetual Trust Limited, taken against Perpetual Trust Limited or any of its principal officers, in its, his or her professional capacity; or
- expelled from, or prohibited from being a member of a professional body.

Remuneration

I am remunerated by a salary paid to me by Perpetual Trust Limited.

From time to time, Perpetual Trust Limited or I may receive benefits from product providers that are recommended by me. Such benefits may take various forms including pens and stationery, meals in conjunction with product or market educational seminars, other meals or entertainment, gifts at special times during the year or subsidised conference costs or travel.

In addition to fees charged to clients, Perpetual Trust Limited may also receive a contribution towards client care, gifts and functions and business development initiatives.

From time to time Perpetual Trust Limited and/or other product providers may give gifts or run sales competitions with prizes such as gift vouchers, bottles of wine, entertainment, travel vouchers and so on.

I may also participate in company profits as a shareholder in Pyne Gould Corporation Limited, being the ultimate parent company of Perpetual Portfolio Management Limited.

Other Interests and Relationships

Perpetual Trust Limited has an agreement with Perpetual Portfolio Management to access a custodial trust account for Perpetual Trust's clients monies. Deposits are held by

an independent custodian, Investment Custodial Services Limited, as bare Trustee.

Perpetual Trust Limited maintains contractual relationships (agency agreements) with a number of brokers and product providers as detailed in the Perpetual Trust Limited section of this Disclosure Statement. My contractual relationships with these financial institutions does not require me to place an agreed percentage of the business I do with any of them.

Further, neither I nor Perpetual Trust Limited has any agreements that require me to place any particular level of business with any supplier or financial organisation.

Areas of Advice

I can provide advice on all aspects of personal financial management, retirement planning, investment advice, estate and tax planning:

Cash/Debt Management

Budgeting, debt reduction or restructuring, establishing sufficient cash reserves and investing accordingly.

Estate Planning

Use of trusts and other appropriate structures in consultation with other professional advisers as appropriate.

Retirement Planning

Determining retirement needs, assessing current provisions and providing any solutions for gaps including advice on KiwiSaver and superannuation schemes.

Taxation

General advice in respect to tax effective investments taking into account the client investing entities and applicable tax rates.

Investment Advice

Considering risk profile, investment timeframes and cashflow needs, recommending appropriate solutions on that basis.

I only give advice in the particular subject areas set out above.

Products

The products that I generally provide advise on are: cash management funds, secured debentures, term deposits, group investment funds, unit trusts, KiwiSaver funds, PIE funds, superannuation schemes, direct equities and bonds.

I am only able to promote products that are on the Perpetual approved investment list, this is an important aspect to ensure that due consideration and monitoring is given to all investments recommended to clients. This list is governed by the Perpetual Investment Committee.

Investment Broker Disclosure Statement

Perpetual Trust

This disclosure document has been prepared in accordance with section 41A of the Securities Markets Act 1988 and the Securities Markets (Investment Advisers and Brokers) Regulations 2007 for Perpetual Trust Limited (Perpetual Trust) in respect of itself and its principal officers.

This document was prepared on **22 March 2011**.

This disclosure statement is intended to give you information about Perpetual Trust and the services it provides.

Perpetual Trust

Address: 57 Waterloo Road, Hornby, Christchurch 8042, PO Box 112, Christchurch 8140

Phone: +64 3 379 8611 or 0800 737 738

Fax: +64 3 379 8608

Email: email@perpetual.co.nz

How We Operate

We operate a trust account and hold securities and valuable documents on behalf of clients where appropriate.

We accept appointments as agent for clients and act as Attorney under Powers of Attorney and also act in the capacity as Trustee where required.

In some cases you may be referred to a Perpetual Portfolio Management financial adviser, in this case the fees charged may differ from those outlined in the Perpetual Trust disclosure statement. These fees will be outlined in the initial proposal and can be seen in the advisers disclosure statement.

Areas of Advice

All Perpetual Trust investment advisers belong to the Institute of Financial Advisers ("IFA") and are all either Certified Financial Planner^{CM} certified or working towards that qualification.

Our advice covers all aspects of personal financial management, retirement planning, investments, estate and tax planning.

Our advice may take the form of a comprehensive financial plan covering and linking all of the areas listed above as they affect you, or it may address only one or some of those areas, such as an investment plan or KiwiSaver recommendation.

In the course of providing financial advice we may recommend one or more financial products designed to help meet your needs. These products may include cash management funds, KiwiSaver funds, and other managed and direct investment products.

We have an Approved Investments List, this is regularly reviewed by our Investment Committee based on speciality research for the best interests of our clients.

Money Handling Procedures

Depending upon the nature of the transaction; client funds will be handled in one of the following ways:

1. Direct to Fund Managers

Monies are payable directly to fund managers and are not held by Perpetual Trust. The company does not handle client monies when funds are paid directly to fund managers.

2. Custodial Trust Account

- Perpetual Trust has an agreement with Perpetual Portfolio Management to access a custodial trust account for Perpetual Trust's clients monies. Deposits are held by an independent custodian, Investment Custodial Services Limited, as bare Trustee.
- Investors' cheques should be made payable to "Investment Custodial Services Limited".
- These receipts will be deposited into the trust account, depending on the investment, and held there until released or disbursed.
- Investors sign an Enduring Power of Attorney which authorises Perpetual Trust to disburse the trust account funds to purchase the authorised investments.
- Perpetual Trust will maintain records of all trust account transactions in separate ledgers through the custodial accounting system. Clients may request details of their own transactions, which will be provided in writing within five working days of the request.
- External reviews of the company's trustee activities including the operation of the trust accounts are conducted annually by the company's auditors.

3. Trust Account or Contribution Account

- Perpetual Trust operates a trust and contribution account for all client monies handled by the company.
- Investors' cheques should be made payable to "Perpetual Trust Limited."
- These receipts will be deposited into the trust or contribution account, depending on the investment, and held there until released or

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disbursed by specific instructions from the investor. Signed applications for investments will constitute such direction.

- Perpetual Trust will maintain records of all trust and contribution account transactions in separate ledgers in its own accounting system. Clients may request details of their own transactions, which will be provided in writing within five working days of the request.
- External reviews of the company's trustee activities including the operation of the trust and contribution accounts are conducted annually by the company's auditors.

Professional Indemnity Insurance

In compliance with the IFA Code of Ethics, all Perpetual Trust advisers have professional indemnity insurance by virtue of their employment by Perpetual Trust which covers all areas of advice as listed above. This insurance provides protection for clients for:

- any error or omission;
- defamation;
- employee dishonesty; and
- includes full "prior acts" protection,

in relation to any conduct for which Perpetual Trust or any of its advisers are responsible.

The minimum level of cover is in compliance with IFA Membership By-laws, and in Perpetual Trust's opinion the level of cover is appropriate given the nature and size of our business.

The underwriter is Vero Liability Insurance Limited.

As with all insurance, this cover has limitations and is subject to certain exclusions and terms and conditions common to these types of policy.

Dispute Resolution

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Tracey-Lee Pettifer
Head of Adviser Services
Perpetual Portfolio Management
PO Box 112
Christchurch 8140
Phone: 09 927 9507
tracey-lee.pettifer@perpetual.co.nz

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- convicted of an offence under the Securities Markets Act 1988 or the Securities Act 1978, or for a crime involving dishonesty (as defined in section 2(1) of the Crimes Act 1961); or
- a principal officer of a body corporate, if a body corporate committed an offence under the Securities Markets Act 1988, or the Securities Act 1978, or of a crime involving dishonesty (as defined in section 2(1) of the Crimes Act 1961); or
- adjudged bankrupt; or
- prohibited by an Act or by a court from taking part in the management of a company or business; or
- the subject of an adverse finding by a court in any proceeding that has been taken against me in my capacity as an investment adviser, or in relation to Perpetual Trust, taken against Perpetual Trust or any of its principal officers, in its, his or her professional capacity; or
- expelled from, or prohibited from being a member of a professional body.

Fees

Our professional fees vary according to the precise nature of our engagement and may be based on:

- Fees charged by us to you
- A commission paid by the product suppliers to us following business placed with them
- Fees and commission.

The proposed basis of our charges and details of the specific charges will be explained to you before specific advice is given and after we are more fully aware of the nature and scope of our engagement. Maximum standard rates for commissions and fee rates are set out in the Appendices to this Disclosure Statement.

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Remuneration

Perpetual Trust advisers employed by Perpetual Trust are remunerated by salary. Their salaries are reviewed from time to time based on market rates and performance. Perpetual Trust advisers also have the potential to receive a bonus in addition to salary which is based on total company revenue and profitability which is not specifically linked to the sale or use of any particular product.

Additionally some Perpetual Trust advisers may receive bonuses linked to fee revenue earned by that adviser. Please refer to each adviser's individual disclosure statement for any further information relevant to that adviser and their advice.

Perpetual Trust advisers may also participate in company profits as a shareholder in Pyne Gould Corporation Limited being the parent company of Perpetual Trust.

Other Interests and Relationships

Perpetual Trust is a fully owned subsidiary of publicly listed Pyne Gould Corporation Limited.

As a trustee company Perpetual Trust has a duty to put the interests of its clients whom it is advising first and foremost. We are able to advise on all types of investments and will recommend those investment products which best meet our clients needs. Where Perpetual Trust does not have appropriate expertise internally, recommendations will be sought from leading share brokers and other investment professionals with whom we deal on a regular basis.

Perpetual Trust does not have exclusive arrangements with any suppliers of products, investments or services recommended by Perpetual Trust advisers. We have complete flexibility to recommend the most appropriate products that meet the needs of our clients.

Whilst we are able to offer the full range of options, for the purpose of manageability and prudent process, Perpetual Trust has carefully evaluated and selected a range of quality investment products for inclusion in our Approved Investments List for use in constructing client portfolios. Similarly, we have also carefully evaluated and selected three different life insurance companies to provide personal risk management products.

Potential Conflicts of Interest

Perpetual Trust has its own range of investment products. In addition our parent company Pyne Gould Corporation (PGC) is the owner of MARAC Finance Limited and a part owner of listed PGG Wrightson Limited (the parent of PGG Wrightson Finance) who promote a range of debenture stock investments.

A limited partnership managed by a member of the PGC Group holds an ownership interest in van Eyk Research Pty Limited. van Eyk promote a range of managed fund investments.

Where the investment products of Perpetual Trust, MARAC Finance, PGG Wrightson Finance and van Eyk are included in our recommendations, it will be on the basis that the products are as appropriate as other similar products available in the market.

It is the policy of Perpetual Trust that any actual or potential conflicts of interest are managed in order to not impair our objectivity and ability to look after the best interests of the client.

Perpetual Trust manages and promotes managed fund investments which Perpetual Trust advisers utilise for clients. Perpetual Trust advisers consider Perpetual Trust funds alongside other approved investments and will recommend the investments which they believe are most appropriate for the client.

Perpetual Trust holds agency agreements and places funds with the product providers listed in Appendix 1. Details of the fees and brokerage associated with these relationships can also be found in Appendix 1.

Perpetual Trust is able to place business with any financial institution in New Zealand and therefore maintains normal intermediary relationships with other providers that do not entail agency agreements.

Perpetual Trust holds agency agreements with the following direct investment brokers, details of the fees and brokerage associated with these relationships are included in Appendix 1.

Forsyth Barr Limited	Craigs Investment Partners Limited
Smartshares Limited	Westpac NZ Limited
First NZ Capital Limited	ANZ National Bank Limited
BNZ Limited	Hamilton Hindin Greene Limited
Direct Broking Limited	Goldman Sachs JB Were Limited
ASB Securities Limited	Macquarie NZ Limited

Perpetual Trust also has relationships with research providers Morningstar Limited and FundSource Limited, investment custodial services provider Aegis Limited and retirement product provider Sentinel Limited.

Perpetual Trust's agreement with these financial institutions does not require us to place an agreed

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percentage of the business we do with any of them. Further, Perpetual Trust does not have any agreements that require us to place any particular level of business with any supplier or financial organisation.

Perpetual Trust has no other financial or other relationship with any other person that would be reasonably likely to influence it or its advisers in giving advice, except as described above.

Appendix 1: Entry Fees and Brokerage

Investment	Standard Entry Fee	Reduced Entry Fee	Initial Brokerage	Trail Brokerage
Perpetual Trust Funds*				
Perpetual Trust Cash Management Fund	Nil	-	-	0.25%pa
Perpetual Trust Mortgage Fund	Nil	-	-	0.35%pa
Perpetual Trust Aria Fund	1.00%	0% - 1.0%	-	0.25%pa
Perpetual Trust NZ/Australia Share Fund	1.00%	0% - 1.0%	-	0.25%pa
Streat Property Fund	Nil	-	-	Nil
Crawford Property Fund	Nil	-	-	Nil
Perpetual Portfolio Property Income Fund	1.00%	0% - 1.0%	-	0.25%pa
Perpetual Portfolio Superannuation Fund	Nil	-	-	Nil
New Zealand Fixed Interest				
UDC Finance Limited Debenture Stock	Nil	-	-	0.25%pa
MARAC Finance Limited - Terms between call and 5 years	Nil	-	0.125% - 1.50%	Nil
Equitable Limited - terms between 90 days and 5 years	Nil	-	0.50% - 2.50%	Nil
PGG Wrightson Finance Limited - terms between Call and 5 years	Nil	-	0.125% - 0.75%	Nil
Australasian Shares				
ING NZ Share Fund	5.00%	0% - 2.50%	0% - 2.50%	0.25%
Goldman Sachs JBWere Leaders Fund	4.00%	0.2% - 2.00%	0% - 1.80%	0.55%
ING Australian Share Fund	5.00%	0% - 2.50%	0% - 2.50%	0.25%
Perpetual WealthFocus Industrial Share Fund (AUD)	4.50%	0% - 2.25%	0% - 2.25%	0.60%
AXA Australasian Selected Equities Trust	5.00%	0% - 2.50%	0% - 2.50%	0.25%
Brook Alpha Fund	Nil	Nil	Nil	Nil
NZX Australian MidCap Index Fund	1.50%	0.75% - 1.25%	0% - 0.50%	-

* Perpetual Trust charges and receives management fees in respect of each of the funds listed above.

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Investment	Standard Entry Fee	Reduced Entry Fee	Initial Brokerage	Trail Brokerage
International Funds				
BT International Fund	4.00%	0.1% - 2.00%	0% - 1.90%	0.25%
Platinum International Fund	Nil	Nil	Nil	Nil
PM Capital Absolute Performance Fund	Nil	Nil	Nil	0.50%
Goldman Sachs JBWere International Fund	4.00%	0.2% - 2.00%	0% - 1.80%	0.55%
Hunter Hall Value Growth Trust	4.00%	0% - 2.00%	0% - 2.00%	0.35%
Man Investments Australia Limited	4.00%	-	0% - 4.00%	0.50%
Liontamer Investments	3.00%	-	0% - 5.00%	Nil
Property				
ING Property Securities Fund	5.00%	0% - 2.50%	0% - 2.50%	0.25%
Speciality				
Tower GAM Multi-Trading Fund	5.00%	0%-2.50%	0%-2.50%	0.25%
Direct Investments				
Via NZX sharebroker	Up to 1.50%	Up to 1.25%	0% - 0.65%	Nil
Listed debt securities	Up to 1.00%	Up to 0.75%	0% - 0.65%	Nil
New equity and debt issues	Nil	Nil	0% - 1.25%	Nil
<i>Direct investments are subject to a minimum charge of up to \$60 and NZX trade fees, currently \$4.95 per secondary market trade and any prescribed overseas trade charges.</i>				
Multi-Sector Funds				
ING Balanced Fund	5.00%	0% - 2.50%	0% - 2.50%	0.25%
Regular Deposit Funds				
ING Private Portfolio Service Funds	5.00%	0% - 2.50%	0% - 2.50%	1.00%

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Appendix 2: Fee Schedule

Our fees may be based on a percentage of funds under management, a contract rate, an hourly rate plus costs or a combination of these depending upon the terms of engagement between Perpetual Trust and the client.

These fees are as follows:

Item	Fee charged to the client by Perpetual Trust
Initial consultation	First consultation is not charged.
Plan fee	Ranges from \$500 to \$1,000 depending on the complexity of the work undertaken.
Portfolio service fees	This fee is a percentage charge on the market value of the assets within a portfolio. The percentage varies between 0.4% and 1.65% based on the market value of the assets and the service provided and will be disclosed in the plan or written recommendation that I make.
Advice only fee	Fees are charged for advice only clients based on either a maximum hourly rate of \$250 per hour or in the case of specific investment implementation on the basis that we will receive the brokerage or commission from the investment provider up to the levels as disclosed in Appendix 1.
Entry fees and brokerage	Entry fees, initial brokerage and trail brokerage may also be charged on funds and direct investments as detailed in Appendix 1.