



**DISCLOSURE STATEMENT**

**FOR**

**DENIS THORNER**

# DISCLOSURE STATEMENT

Name: Denis Thorner

In accordance with the provisions of the Securities Markets Act 1988 and the Securities Markets (Investment Advisers and Brokers) Regulations 2007 this Disclosure Statement provides you with information and answers to questions about Denis. It provides details about:

- the services Denis can provide;
- how Denis operates his business;
- which financial organisations Denis is able to place business with; and
- how Denis is remunerated.

This document was prepared on 26 April 2011.

## ADVISER DETAILS:

Company:	Thorner Financial Services Ltd
Address:	PO Box 40-190, Upper Hutt
Telephone:	(04) 528 8088
Facsimile:	(04) 528 8838
Cell Phone:	0274 575190
Email:	denis@thorner.co.nz
Website:	www.thorner.co.nz

## EXPERIENCE

Denis commenced his career in the insurance industry in 1961 with Colonial Mutual Life Assurance Society. After obtaining experience in numerous management positions in 1981 he was appointed to the position of Personnel Manager with Norwich Union Life Insurance Society Limited. Denis is currently the Managing Director of Thorner Financial Services Ltd which he formed in 1991.

Denis has over 50 years of experience in the life assurance industry.

## HOW DENIS OPERATES

When he gives advice he follows 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, personal and business insurance and estate management,
4. Developing and presenting his written advice,
5. Overseeing the implementation of the plan, and
6. Monitoring and reviewing the plan.

This can require a meeting with a prospective client before his advice is finalised. It also means he maintains a close ongoing relationship with clients, regularly reviewing progress, and working with them over time to ensure their goals can be met.

Where required, Denis works closely with the product provider companies to ensure underwriting and medical requirements are obtained for the client as quickly as possible and terms negotiated where possible to keep the premium affordable. Denis also plays an important advocacy role on behalf of the client should they ever need to claim against their policy.

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

Denis' 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.

## **PROFESSIONAL RELATIONSHIPS**

Denis is able to place business with each of the following:-

### **Life Companies**

AIA New Zealand  
Asteron  
Fidelity Life  
One Path Life (NZ) Limited  
Southern Cross Healthcare  
Sovereign  
Tower Health & Life

### **Mortgage Providers**

Sovereign

Neither Denis nor an associate has any other financial or other relationship with any other person that would be reasonably likely to influence him in giving advice, except as described above.

## **FEES**

No fees are applied to Risk Products, however mortgage top-ups do incur a fee of \$150.

## **PROFESSIONAL ASSOCIATION**

Denis is a member of the Professional Advisors Association Inc (PAA), and as a condition of his membership he adheres to the PAA Code of Ethics and PAA Practice Standards in all facets of his practice.

He is also a member of:-

- Australian and New Zealand Institute of Insurance and Finance
- Million Dollar Round Table (Life and Qualifying Member)

## **QUALIFICATIONS**

Denis has obtained the following relevant qualifications:

- 1977 - Associate of the Australian and New Zealand Institute of Insurance and Finance by examination  
1995 - Fellow of the Australian and New Zealand Institute of Insurance and Finance by examination  
2004 - Certified Insurance Professional

Denis has kept these qualifications up to date by attending various courses and seminars on issues relevant to the insurance and investment industry. He has also attended numerous product training courses in relation to the products for which he gives advice.

## **AREAS OF ADVICE**

Denis provides advice in the following subject areas:

### **Subject Areas**

- **Risk Management**
- **Home Loans**

Denis provides options for customers making plans for their financial protection, and managing these needs with the product providers on behalf of the customer.

Denis only gives advice in the particular subject areas set out above.

### **Products**

Denis is authorised to give you advice on the following types of products:-

#### **Risk Products**

Accidental Death Cover  
Business Overheads Cover  
Disability Income Protection  
Key Person Protection Insurance  
Life Cover  
Living Assurance  
Locum Cover  
Medical Insurance  
Mortgage Protection Insurance  
Total Permanent Disablement  
Waiver of Premium

#### **Mortgage Finance**

Residential

## **MONEY / PROPERTY HANDLING PROCEDURE**

All cash and cheques received for insurance products are paid directly to the product provider. Cheques should be marked 'Account Payee Only' or 'Not Transferable'.

## **REMUNERATION**

Commission is a percentage of the sale price paid to Denis, as compensation for his effort in making the sale. The products that Denis gives advice on result in long term financial commitment from the client, where the purchase price (or premium) is effectively payable in instalments over the life of the product. Compensation for the sale can be paid to Denis in a number of ways. It can be paid upfront or in instalments. In most cases the impact of these different ways of paying commission on the premium payable by the client is equivalent. In other words, the premium payable by the client will be the same irrespective of whether a commission is payable in regular instalments over the life of the policy or is fully or partially commuted.

Commission is built in to the product price as a cost of sale. Effectively, the price a client pays for the product will be the sum total of the product provider's costs, including the costs of sales, and the profit margin required by the company.

Any remuneration Denis receives goes to the cost incurred in providing the initial and ongoing advice to you e.g. office, staff, renewal advice/review and marketing costs along with his personal remuneration.

Denis is eligible to receive commissions, fees, bonuses and non-monetary payments from product providers in relation to the sale of products.

Should a policy or product be cancelled within a defined timeframe, all or some of the payment may be rebated by the provider.

## **NON-MONETARY REMUNERATION/INTERESTS**

Denis is eligible to receive commissions and bonuses as well as non-monetary rewards from product providers in relation to the sale of their company's products. Non-monetary rewards can include such things as invitations to sporting events, special functions, conferences, training courses, travel rewards both nationally and internationally, company share options, merchandise and allowances for office related expenses. These rewards vary from company to company and from time to time. It is at Denis' sole discretion whether he accepts any or all of the above financial and non-monetary rewards and is unable to provide further details of these rewards until such rewards are received.

Denis's partner may also receive a full or partial subsidy from Sovereign to attend Sovereign offshore conferences and/or an annual conference held in New Zealand. She may also attend functions, training and other events provided by Sovereign or other product providers at no cost or at a reduced rate.

Denis has access to the following loyalty based software and technology services: Sovereigns X-plan client management system which depending on Denis' level of production he may qualify for a fully paid subsidy for these systems. Denis presently qualifies for a subsidy.

Denis may hold shares in the companies that are included in his list of product providers. Details of his current holdings are available on request. On request Denis can provide the current financial and non-monetary rewards available to him from the companies he recommended to you.

## **Interests**

The Securities Markets Act 1988 and the Securities Markets (Investment Advisers and Brokers)

Regulations 2007 requires advisers to disclose any direct or indirect pecuniary interests they may have in the giving of investment advice.

**Sentinel Limited (Sentinel)**

A small number of shares are held in this company by Denis.

**Sovnet**

SovNet is an association of like minded professional financial advisers who have chosen to form a business relationship with Sovereign, a market leading insurance and investment services provider. The relationship is in respect to risk and contractual savings business. Denis' membership of SovNet provides him with advantages such as advance product training, professional development, participation in peer group forums and industry information. These advantages allow him to better serve his clients and their unique needs.

Being a member of SovNet obliges Denis to place the majority of his customers risk and contractual savings business with Sovereign. However, it is not an exclusive arrangement and he is entitled to place a significant portion of his business with any provider of his choosing.

In conjunction with Sovereign's range of products and services, SovNet aims to create a network of Advisers who share common values and ideals without losing the individuality of their businesses.

**Metro Broker Link Ltd**

Thorner Financial Service Ltd belongs to Metro Broker Link Ltd solely for the purpose of aggregation of certain risk applications. We may qualify for additional bonuses depending on persistency and quality of our client base.

**DISPUTE RESOLUTION**

If you have a problem, concern, or complaint about any part of my service, please tell me so that I can try to fix the problem.

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 & Savings Ombudsman ("ISO") Scheme. This service will cost you nothing, and will help us resolve any disagreements.

You can contact the ISO at:

Address: PO Box 10-845, 99-105 Customhouse Quay, Wellington  
Telephone number: 04-499 7612  
Email address: info@iombudsman.org.nz

**PROFESSIONAL INDEMNITY INSURANCE**

In compliance with the Institute of Professional Advisors Association Code of Ethics, Denis has professional indemnity insurance which covers all his areas of practice as listed above. This insurance provides protection for clients for:

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

The minimum level of cover is in compliance with Professional Advisors Association Inc Membership By-laws.

Thorner Financial Services have Professional Liability Insurance through the SovNet PI Insurance Group Plan.

Our levels of cover are as follows:

Type of Cover	Amount of Cover
Professional Indemnity Cover	limit \$3,000,000 any one claim limit \$6,000,000 in the aggregate
Public Liability Cover	limit \$5,000,000 any one occurrence
Employers Liability Cover	limit \$1,000,000 any one claim and in the aggregate
Statutory Liability Cover	limit \$1,000,000 any one claim and in the aggregate
Internet Liability Cover	limit \$250,000 any one claim and in the aggregate per Advisor limit \$3,000,000 in the aggregate shared for all Advisors
Trustees Liability Cover	limit \$250,000 in the aggregate per Adviser
Directors & Officers	limit \$1,000,000 any one claim per entity

## DISCLOSURE OF CRIMINAL CONVICTIONS

Denis has not been:

- convicted of an offence under the Securities Markets Act 1988; the Investment Advisers (Disclosure) Act 1996 or the Securities Act 1978, or for a crime involving dishonesty;
- a director or principal officer of a body corporate that has committed an offence against the Securities Markets Act 1988, the Investment Advisers (Disclosure Act) 1996 or the Securities Act 1978 or for a crime involving dishonesty;
- adjudged bankrupt;
- prohibited by and Act or by a court from taking part in the management of a company or business;
- the subject of an adverse finding by a court in any proceeding taken against him in my professional capacity; or
- expelled from, or prohibited from being a member of, a professional body.

## ADVISER'S DECLARATION

I declare that this document complies with all the requirements of the Securities Markets Act 1988 and the Securities Markets (Investment Advisers and Brokers) Regulations 2007 and incorporates the minimum standards of disclosure, in terms of the Code of Ethics and Practice Standards required by the Institute of Financial Advisers.

**Adviser's name: Denis Thorner**

**Date: 26 April 2011**

**CUSTOMER'S DECLARATION**

I/We acknowledge receipt of this Adviser Disclosure Statement for Denis.  
I/We acknowledge that he receives commission from the abovementioned product providers.  
I/We have read and had the opportunity to discuss this Adviser Disclosure Statement for Denis with him and fully understand its contents.

Client's signature: \_\_\_\_\_

Client's name: \_\_\_\_\_ Date \_\_\_\_\_

Client's signature: \_\_\_\_\_

Client's name: \_\_\_\_\_ Date \_\_\_\_\_