

# DISCLOSURE STATEMENT

THIS DOCUMENT WAS PREPARED AS AT 29 FEBRUARY 2008

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## **DIRECT BROKING LIMITED ("DIRECT BROKING")**

Ground Floor, 1 Victoria Street, PO BOX 1790, Wellington, New Zealand. Telephone number: 0800 805 777

Direct Broking (in respect of itself and its principal officers) makes the following investment broker disclosure to you as required by section 41G of the Securities Markets Act 1988.

## **PROCEDURES FOR DEALING WITH INVESTMENT MONEY OR INVESTMENT PROPERTY**

Investment money can be deposited by direct credit or by cheque made payable to Direct Broking Limited. Investment money received from you or on your account will be held in our client funds account on trust and, subject to the Direct Broking Client Agreement Terms and Conditions, disbursed or distributed in accordance with client instructions. Any security documents or other valuable property should be sent or delivered to Direct Broking's office at Ground Floor, 1 Victoria Street, Wellington. Investment property held cannot be used for the benefit of Direct Broking any Direct Broking investment advisor, or any other person except you.

## **RECORD KEEPING**

Investment money is held in the client funds account which is reconciled daily, with all movements in and out of the client funds account recorded. You may request details of your own records at any time. Records of all investment property held are also kept and you may request details of your own records at any time.

## **AUDITING AND MONITORING**

Direct Broking's systems and operations are internally audited on a regular basis. The financial statements of Direct Broking are audited annually by KPMG. The receipt, holding and disbursement of investment money and investment property is not audited by KPMG. However, the receipt, holding and disbursement of investment money and investment property is monitored by NZX and is inspected by NZX from time to time at their discretion.

## **USE OF MONEY AND PROPERTY**

When securities are registered in the name of Direct Nominees Limited, our nominee company, they will be held by that nominee as bare trustee on trust for you until we receive instructions from you either to sell the Securities or to transfer the securities into your name or to a person nominated by you.

Investment money and investment property received from you will be held on trust for you until they are disbursed in accordance with your instructions. This means that at no time are investment money or investment property used for the benefit of Direct Broking or any Direct Broking investment advisor.

## **CRIMINAL CONVICTIONS**

In the five years before the relevant investment money or investment property is received, none of Direct Broking or any principal officer of Direct Broking has been:

- convicted of 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);
- a principal officer of a body corporate when that body corporate committed an offence or crimes involving dishonesty as described above;
- adjudicated bankrupt;
- prohibited by an Act or by a court from taking part in the management of a company or a business;
- subject of an adverse finding by a court in any proceeding that has been taken against them in their professional capacity;
- expelled from or has been prohibited from being a member of a professional body; or
- placed in statutory management or receivership.

***SEE OVERLEAF FOR ONE-OFF SALE GUIDELINES***

# ESTATE WIND UP SALE (THROUGH SOLICITOR)

Before you sell through us you must read our **Disclosure Statement**. A copy of Direct Broking Limited's disclosure statement prepared pursuant to the Securities Markets Act can be obtained free of charge on the Direct Broking Limited website or on request.

To submit an order to sell securities held on an Estate, you will need to have the shareholder number and FASTER identification number (FIN) available (for NZ listed securities) or Shareholder Reference Number (SRN) (for AU listed securities). Estate sale orders may be submitted on more than 1 occasion. Selling part of the estate's holdings rather than all, as for a one-off sale, is permitted.

Holdings held jointly in the name of an Estate and living person cannot be sold through Direct Broking Limited. Please call us on 0800 805 777 to discuss your options.

NB: All Estate Wind Up sales are conducted in accordance with NZX Rules and our standard client terms & conditions.

**BEFORE THIS SALE IS CONDUCTED, WE REQUIRE** a copy of probate OR where probate is not being issued, a copy of the death certificate and a copy of the will PLUS confirmation that probate or equivalent has been noted by the share registry and the administration fee has been paid.

NB: Instructions will only be accepted from the Executor of the Estate or the Solicitor acting on behalf of the Estate.

## 1. PHOTO IDENTIFICATION

In most cases we can obtain sufficient verification from the **Auckland Law Society website**, so photo ID is not required in this instance.

Otherwise, we will accept a clear copy of a **current and signed passport OR driver's licence, firearms licence, Tertiary Student ID or National ID Card** in the name of the Solicitor acting on behalf of the Estate.

## 2. BANK ACCOUNT IDENTIFICATION

A clear copy of a **cheque, bank encoded deposit slip or bank statement** in the name of the Solicitor's Client Trust account (e.g. "Crane and Associates Client Trust account")

NB: A screen printout from Internet Banking is not sufficient for this purpose

> **REMINDER:** The share registry (Computershare Investor Services or Link Market Services) must be notified of probate or equivalent and the administration fee must be paid before shares can be sold.

## PLEASE PROVIDE THE FOLLOWING DOCUMENTATION:

Clear copy of **BANK ACCOUNT IDENTIFICATION** for the Solicitor's Client Trust Account

Copy of **Probate OR a copy of death certificate and will**

RETURN BY POST:  
RETURN BY EMAIL:

**DIRECT BROKING LIMITED, FREEPOST 3755, PO BOX 1790, WELLINGTON, ATTN: ONE-OFF SALES**  
[oneoffsale@directbroking.co.nz](mailto:oneoffsale@directbroking.co.nz)