

#9



COMPLETE

PAGE 2: Role and regulation of financial advice

Q1: Do you agree that financial adviser regulation should seek to achieve the identified goals? If not, why not?

I agree. the market is easily manipulated.

Q2: What goals do you consider should be more or less important in deciding how to regulate financial advisers?

Goal 3: Public confidence in the professionalism of financial advisers is promoted

Q3: Does this definition adequately capture what financial advice is? If not, what changes should be considered?

Apply obligations to the individual adviser, but still hold the firm as having an overseeing responsibility

Q4: Is the distinction in the Financial Advisers Act (FA Act) between wholesale and retail clients appropriate and effective? If not, what changes should be considered?

Respondent skipped this question

Q5: Is the distinction in the Act between a personalised financial service and a class service appropriate and effective? If not, what changes should be considered?

Respondent skipped this question

Q6: Is it appropriate to have different requirements on advisers depending on the risk and complexity of the products they advise upon?

Respondent skipped this question

Q7: Does the current categorisation system accurately reflect the level of complexity and risk associated with financial products? If not, how could it be improved?

Respondent skipped this question

Q8: Do you think that the term Registered Financial Adviser (RFA) gives consumers an accurate understanding of what these advisers are permitted to provide advice on and the requirements that apply to them? If not, should an alternative term be considered?

Respondent skipped this question

Q9: Are the general conduct requirements applying to all financial advisers, including RFAs, appropriate and adequate? If not, what changes should be considered?

Respondent skipped this question

Q10: Do you think that disclosing this information is adequate for consumers? Should RFAs be required to disclose any additional information?

Respondent skipped this question

Q11: Are there any particular issues with the regulation of RFA entities that we should consider?

Respondent skipped this question

Q12: Are the costs of maintaining an adviser business statement justified by its benefits? If not, what changes should be considered?

Keep them simple, the padded out, multi-sheet is not read by consumers.

Q13: Is the distinction between an investment planning service and financial advice well understood by advisers and their clients? Are any changes needed to the way that an investment planning service is regulated?

Respondent skipped this question

Q14: To what extent do advisers need to exercise some degree of discretion in relation to their clients' investments as part of their normal role?

Respondent skipped this question

Q15: Should any changes be considered to reduce the costs on advisers who exercise some discretion, but are not offering a funds management-type service?

Respondent skipped this question

Q16: Are the current disclosure requirements for Authorised Financial Advisers (AFAs) adequate and useful for consumers?

Respondent skipped this question

Q17: Should any changes be considered to improve the relevance of these documents to consumers and to reduce the costs of producing them?

Respondent skipped this question

Q18: Do you think that the process for the development and approval of the Code of Professional Conduct works well?

Respondent skipped this question

Q19: Should any changes to the role or composition of the Code Committee be considered?

The little investor needs protecting. Churn, the selling and repurchase of investment product needs to be regulated or made more open.

Q20: Is the Financial Advisers Disciplinary Committee an effective mechanism to discipline misconduct against AFAs?

The little investor needs a simple process, without big words. The investor who drives a digger through the day needs to have a simple way to request redress that is timely for other investors.

Q21: Should the jurisdiction of this Committee be expanded?

How can high profile citizens get involved in ponzi schemes and similar? How can the committee be given the powers to preempt action where these high profile people and lesser investors are clearly being fleeced?

Q22: Does the limited public transparency around the obligations of Qualifying Financial Entities (QFEs) undermine public confidence and understanding of this part of the regulatory regime?

Yes

Q23: Should any changes be considered to promote transparency of QFE obligations?

Publicity of QFE obligations in simple language.

Q24: Are the current disclosure requirements for QFE advisers adequate and useful for consumers?

Respondent skipped this question

Q25: Should any changes be considered to improve the relevance of these documents to consumers or to reduce the costs of producing them?

Limit the size/ number of words. Keep them simple and short, loads of jargon hides facts.

Q26: How well understood are the broker requirements in the FA Act? How could understanding be improved?

Respondent skipped this question

Q27: Are these requirements necessary and/or adequate to protect client assets? If not, why not?

Respondent skipped this question

Q28: Should consideration be given to introducing disclosure requirements for brokers? If so, what would need to be disclosed and why?

Simplicity is the key to understanding, do not let them hide behind multi-pages of waffle.

Q29: What would be the costs and benefits of applying the broker requirements in the FA Act to insurance intermediaries?

Respondent skipped this question

Q30: Are the requirements on custodians effective in reducing the risk of client losses due to misappropriation or mismanagement?

Respondent skipped this question

Q31: Should any changes to these requirements be considered?

Respondent skipped this question

Q32: Is the scope of the FA Act exemptions appropriate? What changes should be considered and why?

Respondent skipped this question

Q33: Does the FA Act provide the Financial Markets Authority (FMA) with appropriate enforcement powers? If not, what changes should be considered?

Respondent skipped this question

Q34: How accessible and useful is the guidance issued by the FMA? Are there any improvements you would like to see?

I have not noticed any; but I have a bad experience and losses from financial adviser associated with a NZ wide operation and now self invest directly.

PAGE 3: Key FA Act questions for the review

Q35: What changes should be considered to make the current regulatory regime simpler and easier for consumers to understand? For example, removing or clarifying the distinction between AFAs and RFAs.

the simpler the better

Q36: To what extent do consumers understand that some financial advisers' primary roles may be selling financial products, rather than solely acting as an unbiased adviser to their clients?

Many consumers are taken in by slick marketing, Too many companies franchise out with a crafted publicity campaign and big franchise fees the investor has to pay indirectly.

Q37: Should there be a clearer distinction between sales, information provision, and advice? How should such a distinction be drawn? What should or should not be included in the definition of financial advice?

There needs to be the ability for a tractor driver to see what she/he is investing in, in a few words. Years ago the Hire Purchase agreement had to have a simple calculation setting out the fees. This needs to be duplicated for financial products in a size that can be read on a mobile phone, (while tractor driving).

Q38: Do you think that current AFA disclosure requirements are effective in overcoming problems associated with commissions and other conflicts of interest?

There are a lot of very wealthy people who have been duped, how can the little guy make good investments?.

Q39: How do you think that AFA information disclosure requirements could be improved to better assist consumer decision making?

Keep them simple

Q40: Do you support commission and conflict of interest disclosure requirements being applied to all financial advisers? If so, what requirements are appropriate for different adviser types?

Yes, yes, yes.

Q41: Do you think that commissions should be restricted or banned in relation to financial advice, and if so, in what way? What would be the costs and benefits of such an approach?

They have to be clearly set out in documentation

Q42: Has the right balance been struck between ensuring advisers meet minimum quality standards and ensuring there is competition from a wide range of providers (and potential providers)?

Respondent skipped this question

Q43: What changes could be made to increase the levels of competition between advisers?

Respondent skipped this question

Q44: Do you think that the Code of Professional Conduct for AFAs strikes the right balance between requiring them to understand their clients and ensuring that consumers can get advice on discrete issues?

Emphasis on the client please.

Q45: To what extent do you think that the categorisation of types of advice and advisers is distorting the types of advice and information that is provided?

All advice has to be clear and simple

Q46: Are there specific compliance requirements from the FA Act regulation that have affected the cost and availability of independent financial advice?

Respondent skipped this question

Q47: How can regulatory requirements be made less onerous without reducing the quality and availability of financial advice?

Respondent skipped this question

Q48: What impact has the Anti-Money Laundering and Countering Finance of Terrorism Act had on compliance costs for advisers? How could these costs be minimised?

Respondent skipped this question

Q49: What impact do you expect that KiwiSaver decumulation will have on the market for financial advice in New Zealand? Are any specific changes to regulation needed to specifically promote the availability of KiwiSaver advice?

Again, simplicity of information is the key

Q50: What impact do you expect that the introduction of the Financial Markets Conduct Act (FMC Act) will have on the market for financial advice in New Zealand? Should any changes to the regulation of advice be considered in response to these changes?

the sharks will circle until they find a gap

Q51: Do you think that international financial advice is likely to increase? Is the FA Act set up appropriately to facilitate and regulate this?

Yes

Q52: How beneficial are the current arrangements for trans-Tasman mutual recognition of qualifications? Should further arrangements be considered?

Respondent skipped this question

Q53: In what ways do you expect new technologies will change the market for financial advice?

One click investing. **REDACTED TEXT**

Q54: How can government keep pace with technological developments to ensure that quality standards for advice are maintained, without inhibiting innovation?

Do not try and keep pace, lead the way. Make government product, Earthquake Bonds etc so attractive and publicised the money will flow in ahead of shady deals.

Q55: Are the minimum ethical standards for AFAs appropriate and have they succeeded in fostering the ethical behaviour of AFAs?

Respondent skipped this question

Q56: Should the same or similar ethical standards apply to all types of financial advisers?

Respondent skipped this question

Q57: What is an appropriate minimum qualification level for AFAs?

Honesty

Q58: Do you think that RFAs (for example insurance or mortgage brokers) should be required to meet a minimum qualification relevant to the area of advice they specialise in? If so, what would be an appropriate minimum qualification?

Customer focus

Q59: How much consideration should be given to aligning adviser qualifications with those applying in other countries, particularly Australia?

Do we copy or lead the way?

Q60: How effective have professional bodies been at fostering professionalism among advisers?

Or are they another fee that the small investor has to pay?

Q61: Do you think that professional bodies should play a formal role in the regulation of financial advisers and if so, how?

Do we need old boy clubs and the cost associated?

Q62: Should any changes be considered to the relative obligations of individual advisers and the businesses they represent? If so, what changes should be considered?

Make honest advice compulsory

Q63: Is the QFE system achieving its goals in terms of consumer protection and reducing compliance costs for large entities? If not, what changes should be considered?

Or is this just adding another layer of fees?

PAGE 4: Role of financial service provider registration and dispute resolution

Q64: Do you agree that the Register should seek to achieve the identified goals? If not, why not?

Yes

Q65: What goals do you consider should be more or less important in reviewing the operation of the Register?

Keep taking costs out, simplify so there is no room to hide shady deals.

Q66: Do you agree that the dispute resolution regime should seek to achieve the identified goals? If not, why not?

Needs to be able to act instantly. [REDACTED TEXT](#)

Q67: What goals do you consider should be more or less important in reviewing the dispute resolution regime?

Simplicity and immediate.

PAGE 5: How the FSP Act works

Q68: Does the FMA need any other tools to encourage compliance with financial service provider (FSP) registration? If so, what tools would be appropriate?

[REDACTED](#)

Q69: What changes, if any, to the minimum registration requirements should be considered?

Make honesty the key.

Q70: Does the requirement to belong to a dispute resolution scheme apply to the right types of financial service providers?

Encompass them all.

Q71: Is the current framework for the approval of dispute resolution schemes appropriate? What changes, if any, should be considered?

Speed is the essence.

Q72: Is the current framework for monitoring dispute resolution schemes adequate? What changes, if any, should be considered?

Be pro-active, pounce before there is a problem.

Q73: Is the existence of multiple schemes and the incentive to retain and attract members sufficient to ensure that the schemes remain efficient and membership fees are controlled?

Do we need multiple schemes for sharks to dodge behind?

Q74: Should the \$200,000 jurisdictional limit on the size of claims that dispute resolution schemes can hear be raised in respect of other types of financial services, and if so, what would be an appropriate limit?

With inflation the amount needs to be higher.

Q75: Should additional requirements to ensure that financial service providers are able to pay compensation to consumers be considered in New Zealand?

There will still be those where they have set up trusts or spent before they are caught.

PAGE 6: Key FSP Act questions for the review

Q76: What features or information would make the Register more useful for consumers?

Simple information

Q77: Would it be appropriate for the Register to include information on a financial adviser's qualifications or their disciplinary record?

Too much information will not be read.

Q78: Do you consider misuse of the Register by offshore financial service providers is a significant risk to New Zealand's reputation as a well-regulated jurisdiction and/or to New Zealand businesses?

Yes

Q79: Are there any changes to the scope of the registration requirements or the powers of regulators that should be considered in response to this issue?

The 'government' needs to appreciate this will happen, regulate and not get bogged down on party lines.

Q80: What are the effects of (positive and negative) competition between dispute resolution schemes on effective dispute resolution?

Just adds cost

Q81: Are there ways to mitigate the issues identified without losing the benefits of a multiple scheme structure?

Respondent skipped this question

Q82: Are the current regulatory settings adequate in raising awareness of available dispute resolution options? How could awareness be improved?

Simple, publicly available information needed.

PAGE 7: Demographics

Q83: Please provide your name and/or the name of the group of people, business, or organisation you are providing this submission on behalf of:

Brian Wood

Q84: Please provide your contact details:

9(2)(a)

Q85: Are you providing this submission:

-
- As an individual

Q86: If submitting on behalf of an organisation: How many people are in the organisation, or work in the organisation, that you are providing this submission on behalf of?

Respondent skipped this question

Q87: I would like my submission (or specified parts of my submission) to be kept confidential, and explain my reasons for this, for consideration by MBIE:

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- No