

Consultation Paper- New Financial Advice Regime

Submission from: Richard Holden REDACTED

On page 18 of your “Consultation Paper- New Financial Advice Regime” document in the schematic you refer to “Financial Adviser Representative” and “Financial Adviser” both deemed to be giving financial advice.

The former relates to an employee or sole agent representative in a vertically integrated organization (VIO) selling that organization’s in-house manufactured product. Therefore this is more of a transactional advisory service as the representative is looking for customers to fit the in-house product and advice is limited to that organization’s product. The latter in direct contrast refers to non-aligned advisers who seek market-wide products to fit clients’ needs.

The current wording does not make this distinction and would create confusion with the public in the same way as RFA and AFA distinctions are not understood currently.

While I applaud the need to bring all advice givers under the same code of conduct, there are clear distinctions to be recognized.

To more accurately represent the above my submission is as follows - "Change the term Financial Advice Representative" to "Financial Product Representative" or “Financial Product Agent”.