SIFA Incorporated

c/- P O Box 28-781
Remuera
Auckland 1541

Submission to

Code Working Group

Code of Professional Conduct for Financial Advice Services

Consultation Paper

10 April 2018

This submission does not follow the template you have asked us to follow. We agree with the comments of David Whyte that we should not feel constrained just to answer the questions you have asked. If this is a true consultation we should be free to provide input how we choose.

We appreciate that this submission is very critical of the approach CWG has taken to its task in drawing up a new Code. It takes direct aim at a number of your fundamental building blocks. We make no apologies for this.

Given where our members operate, we have a different perspective of the issues. Our members are typically owner operators of small practices. We think the greatest majority of entities by number that are likely to seek licences are more like us than the large organisation view that seems to us to underpin your Consultation paper.

We don't know the numbers who will apply for licences, but if there were to be say 1500 applications, we would be surprised if 250 were big entities, so that means over 1250 would be small entities.

We think your Code discussion is heavily oriented towards big firms. A recent comment by Pragmatic on Good Returns alerts us to the possibly that this outcome may not be a deliberate strategy but rather results from none of the CWG having any firsthand experience at the coal face where we think the advisers in the greatest majority of entities by number actually work.

The big picture issues

1. Good Advice Outcomes

We think your concept that the overarching catchphrase for the Code should be "good advice outcomes" is fatally flawed. We think the public would interpret this slogan in the way that you specifically say it is not (par 52). .

2. The Code when the advice is provided by the entity

Your paper has almost nothing about the Code that would apply when the advice was being provided by the entity itself.

We have elsewhere suggested that we think you should format the Code in two parts – one that applies to human advisers, and the other that applies when it is the entity that provides the advice.

A corollary issue is that you have omitted any discussions as to what you think would be circumstances where it is the entity that is providing the advice. Clearly robo sales advice is provided by the entity. We think that when a share broking firm provides an analyst's report on an individual company might be another. We think brochures are probably information only and therefore excluded from the regulations. But we are not sure. Your paper is effectively silent on this matter.

3. Prescription about how an organisation should organise itself

However, your paper has a lot to say about how you think organisations should be organised. We think you are trying to socially engineer how firms should be organised. In several places you seem

to get the point that you should set the Rules and leave it to entities to figure out how to organise themselves; but in every case you then deep dive into the ways you think firms should be organised.

There are a large number of things in your paper you believe an organisation might or should do. Our question to you is this – if a sole adviser practice or small practice did all this stuff, how much time would be left to actually see clients? That abstracts from all the other regulatory imposts that we face elsewhere as advisers from AML, ABS, CPT plans and so on.

Your thinking here seems based on your desired extension of the Code from applying when financial advice is given to all circumstances where advice is not being given i.e. everything else. We reject that approach.

4. "Financial planning"

Your use of the term "financial planning" is unfortunately likely to be misleading in practice. We believe the general impression amongst the general adviser population is that "financial planning" is what those people in the IFA with CFPs do. We doubt that the average adviser for life insurance, mortgage broking or general insurance will realise that the way they practice currently will put them four-square into your definition of financial planning.

5. Misunderstanding of why investment planning was separated in Financial Advisers Act 2008

While we see that you will have gotten your product advice/financial planning distinction from the legislation, we think you ignore the history of why the term "investment planning" [that you widen to "financial planning"] was introduced.

6. Product advice and financial planning = sales and advice

This issue is exacerbated in our opinion because we believe your product advice/financial planning distinction is actually a euphemism for sales and advice. The biggest fraud that will be perpetuated on consumers is that when a VIO says that it is providing advice, it will actually be engaging in nothing more than sales activity.

7. Qualifications

a) Level

Our fear was that you would go soft on RFAs, and require less of them than the Code for AFAS.

We have been surprised as it turns out that you have recommended tougher qualifications for RFAs and new advisers, with a degree and possibly Level 6 for technical skill and financial advice process. This does not seem to be equitable. AFAs were qualified at level 5, with the opportunity to use a relevant degree to cross-credit Set A (National Certificate} or Core (NZ Certificate).

We think that you should treat all advisers equivalently with respect to competence knowledge and skill. As we now argue right at the end of our submission, this policy would actually make the distinction between product advice and financial planning irrelevant.

b) Big firms vs little firms

You seem to be suggesting that advice givers who work for big entities may not have to be individually qualified; we presume all advice-givers in the small entity space will have to show individual qualifications

The detail

We now turn to detailed analysis and comment on the paper.

We have organised our response in the same chapter order as you have.

Assumptions pars 43-45

We do not agree with your assumption that the Code should apply in situations other than when regulated financial advice is being provided. If the client and adviser agree to a retainer, then clearly the Code should apply while the retainer remains in place. But where no retainer is in place, we do not think the Code should apply.

We think that this assumption leads you often to stray into areas of business organisation which we do not think should be part of the Code. The Code is required to provide for "standards of conduct that must be demonstrated when regulated financial advice is given." [emphasis added], and not in other circumstances.

Principles for drafting the Code

Pars s46-71

Good advice outcomes

While we have general agreement with the underlying sentiment in this section, we submit that the catchphrase that you want to use to capture the Code "good advice outcomes" is seriously flawed.

We think the general interpretation of that phrase will be exactly what you say it is not in par 52; we think that when the public hears those words they will immediately think that "the product being advised on performs well." We were at the Auckland consultation and our assessment was that the concept was thoroughly trashed – without any contribution from us.

We have sought advice from a linguistics expert, who tells us that the phrase is at best ambiguous. There is uncertainty as to what is the head noun of the phrase is – is it "outcome" or "advice outcome"? And she also wonders whether advice can even be an outcome.

Question A We do not agree that the overarching code principle should be called "good advice outcomes".

Par 60

We have real difficulty with the concept described in this paragraph. This same issue permeates right throughout the document.

On the one hand, you seem to recognise that organisations should be able to determine how they will meet requirements according to their own risk appetite.

But then you deep dive into how organisations should actually be organised.

In par 60 you get right into the design of advice processes. It's as if you want to determine how the entity should look.

If we can contra distinct what happens in other fields e.g. domestic architecture – local authorities set out planning limitations and the Building Code sets out rules that must be obeyed. However the authorities do not determine how buildings should be designed – it is open to the architect to design the building within the rules.

We think the financial advice Code should be the same – the Code should set out the rules and organisations should be free of any constraints as to how they comply.

We raise this same issue as we go throughout the document whenever we see it reoccurring.

Ethical Behaviour

We believe par 73 gets right into the matter of how businesses should be structured.

In par 75 you introduce the concept that entities should have Manuals of Procedure that cover things like ethics training, processes for resolving ethical dilemmas and compliance functions.

We repeat we think the Code should set out the Rules and leave entities free to figure out whether they are going to do something in such areas , and if so what.

Par 87-88 we do not see why the Code gets into the subject matter of these paragraphs. In par 88 we think you get the point we are making about organisations being free to determine how they will comply, but then immediately deep dive into how you want to decree they should comply

Par 89 we do not think an organisation should have to have a separate Code of Ethics. We think you forget that a large number of financial advice firms are currently small. You seem to think everyone is General Electric.

It is important that when a firm gives financial advice in its own right that ethical standards might apply – but that is not the same point as a code of ethics for the organisation

Conflicts of interest

We think the legislation should be sufficient to cover this.

In par 94 you make it very clear that the CWG prefers that advisers avoid conflicts of interest. But to repeat our previous submission, we think it should be up to each organisation to decide for itself whether it will avoid or manage. The key point is surely that there is disclosure – but whether an organisation decides to avoid or manage should be left to the organisation.

Par 96 and question G

We urge extreme caution about introducing a general prohibition against" behaviour that would be likely to bring the financial advice profession into disrepute." There is a real danger that in the wrong hands, that could lead to the suppression of critical comment. We know that these rules appear in other codes, but in essence they are apple pie and motherhood statements – everyone agrees with the concept but no two people define what it means.

In the case of lawyers, there is no independent offence of bringing the profession into disrepute. The specific legislation has a prerequisite of other offences before a disrepute allegation can be raised.

We are very concerned that a naked "bringing the industry into disrepute" clause might be used as a stick to prevent critical comment, or to try to capture social activity or acts that a regulator finds personally distasteful whether because of conservative attitudes or religious beliefs. .

Ethical Code for organisations

We agree that there should be ethical standards that apply when an organisation provides advice in its own name, but we do not agree that it should be mandatory for organisations to adopt their own ethical codes over and above what the Code provides.

If an organisation wants to do that, fine. But it should not be a requirement foist upon all organisations. Any ethical matter that is a *sine qua non* should be included in the Code.

We do not even think an organisation should have to state "we will ensure that we and the people who give advice on our behalf will comply with the Code of Ethics".

After all, we don't require organisations to say that we will comply with the laws of the country. Surely such statements should be taken for granted – otherwise you have to think there are lots of organisations that start with the premise "we do not intend to obey the laws."

Questions L M N O P Q R S T U V W and X

As a consequence of our views expressed above, our answer to each of these 13 questions is an unequivocal NO.

We think the only outcome from requiring such frameworks as you set out in this section will be to spawn another arm for compliance consultants - "Ethics processes in FAPs" - who out of an abundance of caution might advise that a firm should add another six policy manuals to the plethora of manuals already required.

We think in par 106, you articulate the notion that entities should be free to determine their own responses to these matters, but then you immediately deep dive into how they should so do. Rather than just being a rule-maker, you want to organise the structure of entities.

Client Care

We have no general concerns about the suitability of client care provisions that currently apply to AFAs being applied to all financial advisers. These are what you call advice giving standards

However we have great concern about any organisational standard that is stronger than “The organisation shall ensure that all persons who provide advice on its behalf comply with their individual requirements.” In this sense "persons" applies of course to both humans and other persons.

Par 124 Advice situations

While you provide a list of advice delivery mechanisms, we think you miss the fundamental distinction which is between

1. advice given by humans; and
2. Advice given by other persons.

We have previously commented publicly that we think you should make two separate Codes. Making this distinction would allow you to proceed on two parallel streams, rather than trying to keep everything in a single list and complicating everything for everybody.

Par 125

We are surprised that you would need to say that what we understand is the law is your view.

Par 128

We think the problems that you refer to in par 128 are not problems of the Code, but rather on the interpretations placed on them by FMA and private compliance consultants – who in our opinion often go way beyond what the Code Committee wrote. We think that since 2016 the limited advice rules have been fine – it’s just that regulators and compliance organisations seem to want to impose what they think should be the scope of all advice interactions as opposed to what the client and AFA might agree.

Par 129

We would want you to explain what you mean by 129, including some real life examples of what you are talking about

Par 130

This is yet another example where we think CWG wants to intrude into all aspects of a business. If cyber security is mentioned, why not security about fire or flood or theft? Trail commission is normally a contract between the adviser and the product manufacturer and has nothing to do with the client etc.

Advice process pars 131 to 133

We do not think the Code should try to be a consultant for advice process design. [Nor should FMA.]

This is another example of where you recognise that firms should be able to choose their own ways of complying with the Code Standards, but the immediately deep dive into how they should choose and organise themselves.

The role of the Code should be to set out the Rules that have to be obeyed. We do not think that the there should be any fetters put on how entities might go about providing a service that the public wants (as long as the rules are obeyed). Otherwise the CWG might set themselves up as the overarching broker dealer and prescribe how everyone lower in the food chain should act. We don't think we live in a dictatorship…yet.

Personalised suitability

This whole section misses the point that clients and advisors should be free to contract on whatever basis they can agree. This section presumes that suitability must be considered in all circumstances – even where the client and the adviser agrees otherwise.

Secondly FMA as monitor and compliance consultants scare the bejeesus out of advisers such that some advisers think they have to provide screeds and volumes of information to show why the recommendation is suitable. When our doctors prescribe us BP pills, do they have to do that? When a lawyer advises us it is OK to sign a document, does he give us screeds of information in explanation? We didn't think so.

Your whole discussion on personalised suitability seems to us to be reintroducing in another guise class vs personalised that was so roundly dissed in the consultation.

Organisational standards

This discussion introduces yet another process manual – for whose benefit other than compliance consultants. It's a confidential document to be used internally and by FMA – how does that benefit the next client to sit in front of us?

It's also pretty tied back to your concept of "good advice outcomes" that we have submitted is fatally flawed.

Competence knowledge and skill

In a sense we think you have a distorted view of the competence provisions in the proposed legislation. We read the legislation as saying that

- there are some things that will apply always to everyone and in all situations i.e. that apply generally; and
- there are other things that will apply sometimes to some people in some situations

We would have thought general competence in CKS sense might have been expressed as the adviser has level 5 Core and Financial Advice strands.

The specific competence for a life agent would be that they have the level 5 Personal insurance strand; a mortgage broker would have to have the Level 5 Mortgage strand, and so on.

CWG seems to have a different interpretation that leads it into interesting territory.

General competence

We think that your concept of "combined expertise" or "in aggregate" is just plain stupid. . What does it really mean? – if an organisation has competence but its adviser has none, is the combined expertise competent? or if an organisation is half competent and its adviser is half competent, does a half plus a half equal one so that the combined expertise is competent?

In our opinion, the whole section is a simply a series of words that go around in a circle until they get back to the beginning.

Particular Competence

We think this section is nothing more than legitimising sales as advice – we interpret your terms "product advice" and "financial planning" as nothing other than euphemisms for sales and advice respectively.

You use "financial planning" in this section in a much different sense than the word financial planning means in general usage in the industry. Financial planning is what financial planners do – more likely to be more comprehensive.

You are using the term to capture the life agent sitting around the kitchen table with Joe and Susie average after the baby has been put to bed to discuss life, trauma income protection and medical insurance; or the mortgage adviser sitting down with a house buyer and discussing different mortgage structure options.

We can see where you get your distinction between product advice and financial planning from – from the Bill, after your assumption that investment planning is widened to financial planning.

But you seem to be blissfully unaware of the history of why "investment planning" was included in the Financial Advisers Act in 2008. Someone recognised that if the definition of advice was restricted to product, then the few advisers around who gave general investment advice but stopped short of giving specific product advice (i.e. I think you should have 40% NZ shares so go and see XYZ Brokers) would not have been captured. Some of us around at that time called this the Martin Hawes Rule.

We clearly established at the Auckland Code consultation that "product advice" and "financial planning" as you use the term were not mutually exclusive (i.e. an adviser could do product advice solely, financial planning solely (a la Hawes} or both at the same time.

Most current RFAs will be caught as doing "financial planning". The only people who will do product advice solely (i.e. not captured as financial planners) will be salespeople, pure and simple.

Your proposal to give a free pass to AFAs into the new regime is welcomed.

Your proposal to make everyone else have a degree and perhaps level 6 are crazy.

There is no degree in NZ for life insurance, or mortgage broking, or investment advice, or general insurance advice ,or trustee services advice So the degree being talked about is not a vocational degree like lawyers, accountants doctors dentists engineers surveyors et al are required to hold to get recognised in their respective professions.

Talk about a degree sounds fine and dandy – in Australia advisers will need one, but they do have degree programmes that cover the financial advice disciplines. Are you seriously saying our "mom and pop" "kitchen table" insurance agent needs a degree? Baloney.

The CWG Chair explained at the same Auckland consultation meeting the rationale for having a degree was showing the holder can think. So if that is the rationale, any degree – art history, geology, chemistry, or religious studies should surely suffice. He quickly added that the reason for requiring (perhaps) level 6 certificate was to show the holder had technical skill and the skills of advice.

AFAs could have used a degree to get a credit for Set A (National Certificate) or Core (NZ Certificate). But not all AFAs will have a degree. Also AFA was set at level 5.

So there seems to be no earthly reason for setting competency for non AFAs at a degree and Level 6.

If level 5 was set as the standard, then maybe 20,000 advisers would need to get level 5.

We think if one adviser has to get Level 5 all advisers have to get level 5. We reject your proposal that entities should be able to do a deal as part of their licensing that if FMA agrees, then individual advisers working for an entity will not need to get Level 5 so long as the entity undertakes to educate them up to an equivalent level (we call this the AMP policy as this is what current IFA Chair Michael Dowling has been telling us for years is AMP's stance).

This is clearly big institution focused i.e. in practice, we believe only the big boys will be able to successfully apply. We don't like the chances of a 3 person firm in (insert your own town here) being able to argue successfully for the same treatment.

There is a major problem for the adviser who does not have Level 5 as he may not be able to shift employers easily without having to be re-approved under the new entity's agreement with FMA.

Alternative qualifications

We have at this stage deliberately not entered into the debate as to which alternative qualifications ought to be recognised. However in the past we have railed against the Code Committee's decision to drop Diplomas earned before 2011. We know that at least some members of the Code Committee have privately expressed that that decision might have been a mistake.

We will enter the alternative qualifications debate once the default level has been decided.

Regulation creates artificial boundary issues

It also seems to us that the only reason to spend any time on the distinction between product advice and financial planning is because you propose a different CKS qualification

The need for a distinction between class and personalised advice under the Financial Advisers Act is the result of the creation of a regulatory boundary – simply, if it is personalised advice, then the person giving the advice has to be an AFA; if it is class advice, then they don't.

Your proposal to separate out the CKS qualification for product advice and financial planning will create a similar regulatory boundary issue. If advisers giving "financial planning" advice need to have

a degree and perhaps Level 6, and advisers giving " product advice" only have to have level 5, then the regulation has created another artificial boundary. There may be a whole new consultancy area developed to define the boundary. However, if all human advisers had to have the same CKS qualification, then this issue would never arise.

The analogy is for current AFAs; it doesn't matter for someone providing personalised advice whether the advice is product or investment planning – it's all advice.

For completeness, we record our view that the distinction between category 1 and Category 2 products under the current Act was also crested as a result of the regulation that required personalised advice on Category 1 products to be restricted to AFAs.

Summary and offer

We realise that this submission will be regarded as an attack on many of the principal building blocks of the Code Working Group's proposal. We sincerely believe that you have got many of these wrong and they need to be fixed in order to write a fair and sustainable Code.

We would appreciate the opportunity to have a meeting (or workshop) with the whole Code Working Group or at least most of you that provides sufficient time for us to debate all the matters we have raised in objection to your first draft. There is a danger in our minds that our arguments will get only limited attention because our view is so different to yours. We may not end up getting you to agree with all our submissions, but we would certainly appreciate the opportunity to try.

One comparative advantage we have is that our members are all involved in the small entity end of the financial advice market where the majority of financial advice entities operate and where the rubber of regulation really hits the road.

Submission presented on behalf of SIFA by

Murray Weatherston AFA (Chair)
Robert Oddy AFA (Consultant to Board on regulatory matters).

10 April 2018

SIFA Incorporated

c/- P O Box 28-781
Remuera
Auckland 1541

Second

Supplementary

Submission to

Code Working Group

Code of Professional Conduct for Financial Advice Services

Consultation Paper

23 April 2018

This submission is supplementary to our earlier submissions dated 10 April and 19 April 2018.

This supplementary submission is restricted to two additional matters

1. the competence knowledge and skill requirements of nominate representatives; and

2. a ban on financial advice providers using the term “advice” or “adviser” or similar in the job title of their nominated representatives as they are presented to the public and individual consumers.

Required Competence Knowledge Skill of nominated representatives

In our earlier submissions we submitted that all financial advisers who provide regulated financial advice on behalf of a financial advice provider should be required to attain Level 5 Core Financial Advice Strand and a Specialist strand, (with allowance for competence equivalents).

After having given the matter more consideration, we now wish to amend that submission in respect of nominated representatives.

We now submit that this requirement should apply only to “financial advisers” under the law and there should be no legislated competence requirements for nominated representatives.

No doubt this submission will be described as pure heresy – that nominated representatives should have no competence knowledge and skill obligation. That is because it strips away the illusion that nominated representatives are advisers.

We submit that this policy decision would solve several problems that we see with the proposals in your Consultation Paper

> (1) there would no longer be a need for say 20,000 nominated representatives to become qualified, thus removing pressure from the educational sector;
>
> (2) there would be no need to set up a complex system to evaluate whether a financial advice provider had sufficient capability to administer an equivalent education programme to Level 5 (in order to work around a probable lack of capacity in the education sector to handle 25,000 persons) ;
>
> (3) there would be no need for any workaround like your suggestion of “combined expertise” or “in aggregate”;

There would be at least one clear benefit

> (1) there would be a clear distinction between financial advisers on the one hand and nominated representatives on the other. The former would have an educational requirement to demonstrate competence, whereas nominated representatives would not.

Rationale

The reason for having no regulatory mandated education requirement for nominated representatives is because under the Bill, the financial advice provider has to have in place processes

controls and limitations to regulate what the nominated representative can and cannot do. We think the financial advice provider should be able to give very little and probably no advisory discretion to a nominated representative, given the nominated representative's lower personal responsibilities compared with a financial adviser.

As a result, it would be totally misleading to suggest that the nominated representative was actually advising the client. What the nominated representative would be giving the client would be something that had been pre-packaged by their licensed financial advice provider.

So there would be actually no need for the regulations to insist on any level of competence skill and knowledge by a nominated representative.

Of course nominated representatives should still have to meet the ethics and client care and conduct standards of the (human) Code.

This submission is not intended to discourage financial advice providers from arranging proper training for their nominated representatives. Far from it, it is important that their employees are trained, but it will be left solely to the financial advice provider to determine what that training is, and they will not be able to hide behind a regulated requirement.

Ban on the use of the word "adviser" or "advice" in the job titles of nominated representatives

At the outset, we recognise that this next submission concerns something over which the Code Working group does not have any decision-making power. However we would encourage the CWG to adopt this submission and take the matter up with MBIE and the Select Committee.

We do not think many financial advice providers (and most probably none) will choose to give their nominated representatives. the job title of "Nominated representative" as that term will be totally meaningless to their customers.

But we do not think they should be able to use the term "adviser" or "advice" or any derivation of these words in the job titles of their employees and like mortgage adviser, insurance adviser or Kiwisaver adviser as these terms will certainly be misleading and likely to confuse with "financial adviser" who will of course be required to have Level 5.

Offer

As always we are prepared to meet with the Code Working Group to discuss our submissions and to provide any clarification of the content or further information (insofar as we are able) the Group requires.

This second supplementary Submission is presented on behalf of SIFA Incorporated by

Murray Weatherston AFA (Chair)
Robert Oddy AFA (Consultant to Board on regulatory matters).

23 April 2018

SIFA Incorporated

c/- P O Box 28-781
Remuera
Auckland 1541

Supplementary

Submission to

Code Working Group

Code of Professional Conduct for Financial Advice Services

Consultation Paper

19 April 2018

This submission is supplementary to our earlier submission dated 10 April 2018.

It contains additional material to support that earlier submission with respect to the development of two separate Codes, [one for human provided advice and the other for entity provided advice] which we alluded to in our response to Par 124 which we repeat below.

> ***"Par 124 Advice situations***
>
> *While you provide a list of advice delivery mechanisms, we think you miss the fundamental distinction which is between*
>
> *1. advice given by humans; and*
>
> *2. Advice given by other persons.*
>
> *We have previously commented publicly that we think you should make two separate Codes. Making this distinction would allow you to proceed on two parallel streams, rather than trying to keep everything in a single list and complicating everything for everybody."*

We did not amplify our dual Code proposal there, but we do so in this supplementary submission.

Code Working Group View

On numerous occasions you have stated that the new Code is fundamentally different to the existing Code of Professional Conduct for Authorised Financial Advisers, in that while the latter is clearly an occupational code, FSLAB requires you to develop a service code.

We have advised you that we have submitted to the Select Committee that they should amend some of the wording of proposed FMCA Schedule 5 Clause 31 (1) [we have underlined the relevant existing and proposed new words respectively] from

> "The code must provide for minimum standards of professional conduct that must be demonstrated <u>when regulated financial advice is given</u> "

to

> "The code must provide for minimum standards of professional conduct that must be demonstrated <u>by all persons who provide regulated financial advice</u>"
>
> with some consequential changes to the balance of the section (that are not relevant here)

We felt it was the words "when regulated financial advice is given" had led you down the rabbit hole where you felt you were totally constrained to drawing up a service code and that therefore you couldn't use the existing occupational code as a template.

We felt our rewording would allow you to move from your fixed "service code" stance.

We now believe that that change in the Bill, while clarifying the situation, is actually not necessary to enable you to adopt our submission that you should actually write the Code in two parts, the first

covering when advice was provided by a human adviser (an occupational Code) and the second covering non-human advice (something else).

We have realised that sub-clause (3) of clause 32 already provides for this. This states

> (3) The Code –
>
> (a) must identify different types of financial advice, financial products, or other circumstances for the purpose of sub-clause (1) (i) (b) and
>
> (b) may specify different standards under sub clause (1) or other matters under sub clause (4) in respect of different types of financial advice, financial products, or other circumstances.

In our submission,

> (a) advice provided by human advisers (nominated representatives or financial advisers); and
>
> (b) advice provided by the financial advice provider entity itself

are "different types of advice", and that if you were of a mind to accept that difference, then you can specify different standards for each of the two types.

So if you would give up on your fixed notion that the whole Code is a service Code and adopt something like our submission, then you would be able to write an occupational Code for humans and something else for entities.

We submit a large number of the issues you are clearly grappling with in trying to fit everything into a service code would actually disappear.

Offer to consult

As always we offer to meet with your whole Group to discuss our submission and provide any clarification or further information about it.

This supplementary Submission is presented on behalf of SIFA Incorporated by

Murray Weatherston AFA (Chair)
Robert Oddy AFA (Consultant to Board on regulatory matters).

19 April 2018