

Dear Ms Levy

I am an IPA Fellow of 35 years standing. I have a keen interest in the restoration of the ability of accountants to provide advice to our clients to assist them meet their financial and retirement goals in a cost effective and independent professional advice free from any conflicts.

I have made a submission to you on the 13th July 2022 calling for the establishment of two categories namely a) *Investment Advisor* and b) *Financial Dealer*. Please refer to the attachment for the submission.

You requested submissions from interested parties for comments and recommendations flowing from the *Consultations paper – Proposals for Reform August 2022*.

These are some of my comments and recommendations on this proposal paper.

1. The approach appears to be principle based rather than rule based. A concept that is well supported.
2. The financial services regime should regulate the provision of *personal advice* and the definition should be made broader but limited to providing a recommendation on the selection of a financial product. I believe the provision of an opinion on a financial product without recommending the product should be excluded from the definition of *personal advice* and considered a *general advice*.
3. The removal of *general advice* from the definition of *personal advice* and hence from the financial services regime is a positive . Does it mean that accountants in public practice can provide general advice on a fee for service basis?
4. The concept of *good advice* is a legal concept and needs commentary from legal experts and commentators.
5. In order to provide *personal advice* the provider should be a *relevant provider* . The concept appears to simply the process of registering as a *relevant provider*. I have questions on the process of registering with ASIC? I also question whether an accountant with 10 years or more experience in public practice and comply with APSEB 110 Code of Ethics would satisfy the eligibility criteria in the proposal paper?
6. The proposal paper proposes that superannuation trustees should be able to provide financial advice to their members about their inter4est in the fund. How does this relate to self- managed super funds where the trustee and members are the same. I believe that currently accountants can provide advice to trustees on the operations of the fund .
7. I believe that dealers in financial products should be precluded from providing *personal advice* and limited to providing *general advice* in relation to its own products. This would include for example managed funds, funds manages and superannuation funds. I propose this to avoid the potential for conflicts of interest to emerge.

I sincerely hope and trust the financial advice industry will emerge with two streams , the first being the stream of independent Investment Advisors registered with ASIC providing personal and general advice. And the second stream being the Financial product dealers that run the investment operations and provide advice that is limited to the financial products that they sell.

Please contact me should you wish to discuss any aspect of this email and attachment.

Yours sincerely
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