

The background of the slide is a close-up, artistic photograph of several green coins, likely New Zealand dollars, with a soft, out-of-focus effect. The coins are scattered across the frame, with some showing the word 'DOLLAR' and others showing the number '100'.

The 2014 Financial Advisers Forum

A Code Committee perspective

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Financial Adviser Law Reform - The Long and Winding Road

Where did we start?

2004 Financial Intermediaries Task Force Terms of Reference

- Enhance quality of financial information and advice provided to the public
- Assist New Zealanders make the most of their savings

Financial Advisers Act 2008

Where are we going?

Purpose of the FAA

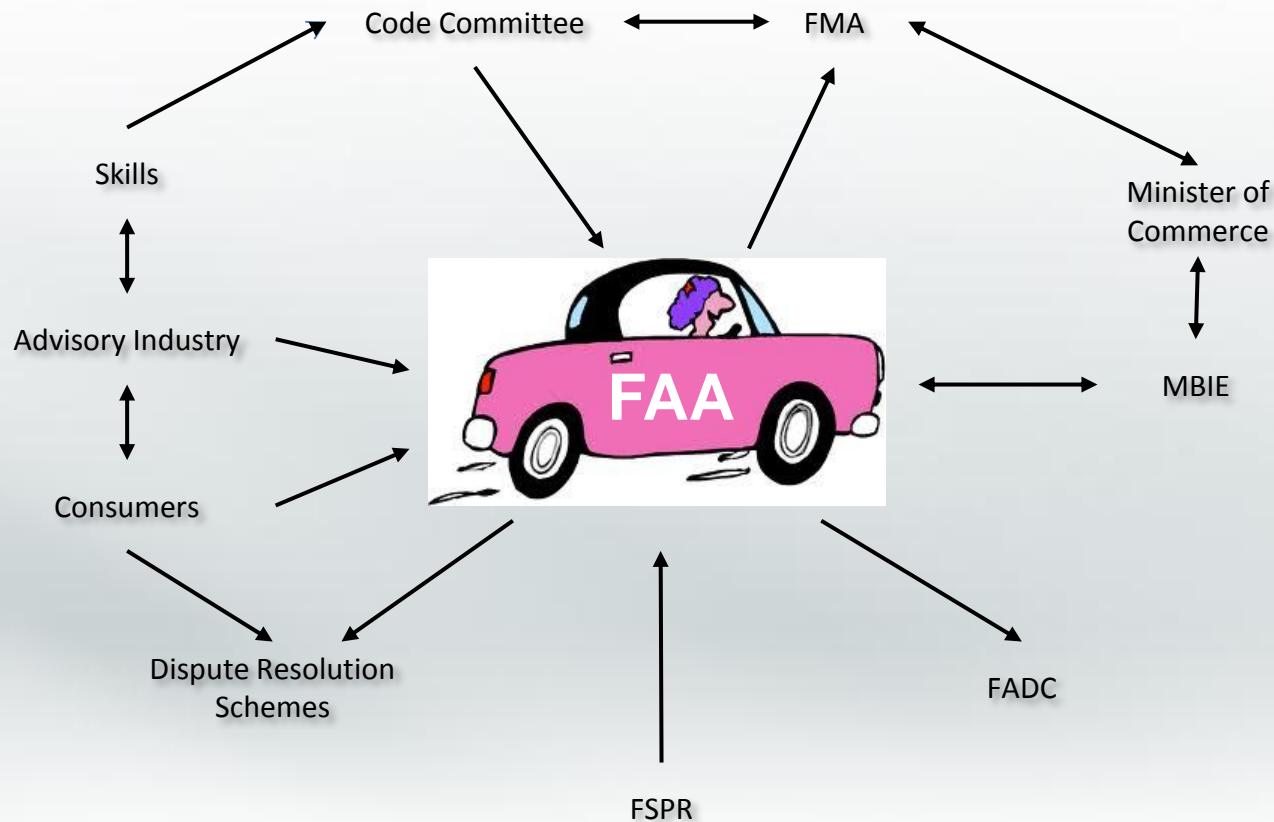
- Promote the sound and efficient delivery of financial adviser and broking services
- Encourage public confidence in the professionalism and integrity of financial advisers and brokers

Financial Advisers Act 2008

How are we going to get there?

FAA – a complex framework with many moving inter-related parts and multiple influencers

So who is driving this thing anyway?!



FAA and the Code Committee

Functions of the Code Committee:

- Produce the Code for approval
- Review the Code from time to time
- Recommend changes

Membership of the Code Committee

Appointed and discharged by FMA, but not part of FMA

7-11 members:

- 1 qualified by virtue of knowledge of, and experience and competency in relation to, consumer affairs
- 6-10 qualified by virtue of individual knowledge of, and experience and competency in relation to, financial adviser industry

Code must provide for minimum standards of professional conduct for AFAs, including:

- Competence
- Knowledge and skills
- Ethical behaviour
- Client care
- Continuing professional training

FAA itself provides baseline conduct standards for all financial advisers

Areas of focus for Code Committee

- Competency requirements
 - Evolving, looking for the Goldilocks solution
- Client care obligations
 - Balancing the need for consumer protection with limiting barriers to providing advice
- CPD requirements
 - Meaningful yet flexible
- Client first paramountcy = critical ethical behaviour stake in the ground

Code handbrakes and driver distractions

- RFA v AFA v QFE adviser distinction
- DIMS
- Compliance burden
- Viability of adviser business models
- Consumer access to personalised advice

Financial Adviser Law Reform

Don't keep me waiting here!

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