

MEDIA RELEASE

A landmark code monitoring cooperation agreement announced by professional associations

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Six major professional associations representing the financial planning/advice sector have signed an historic cooperation agreement to develop a code monitoring solution for their members.

The associations have agreed to work together to submit a code monitoring compliance scheme application to ASIC. The compliance scheme will enable compliance with the Financial Adviser Standards and Ethics Authority (FASEA) code of ethics to be monitored and enforced.

The six professional associations currently participating in the agreement are: Financial Planning Association of Australia (FPA), Association of Financial Advisers (AFA), Boutique Financial Planners (BFP), Financial Services Institute of Australasia (FINSIA), Self Managed Super Fund Association (SMSF Association), and Stockbrokers and Financial Advisers Association (SAFAA).

This is a defining moment for the financial advice profession in Australia, it clearly demonstrates a commitment and intention by the cooperating associations to lift the ethical and professional standards within the sector.

The FPA CEO, Dante De Gori CFP® commented: "This is an important step forward for the financial planning/advice sector that will facilitate recognition as a profession, which has long been sought by our collective members."

"Being covered by a code monitoring compliance scheme is mandatory. All existing financial planners and advisers will be required to subscribe to an approved scheme by 15 November 2019. The cooperating associations are united by a joint purpose to ensure that financial planners and advisers can choose to subscribe to a professional associations based scheme, rather than commercial alternatives which may be less suitable or more expensive. This scheme is being developed by the profession for the benefit of the public."

The historic agreement between the cooperating associations will also leverage economies of scale and will provide an efficient, streamlined code monitoring solution for the financial advice profession. Each of the cooperating associations will be able to offer the code monitoring compliance scheme to its members. A special purpose company Code Monitoring Australia (CMA) has been established for the purpose to operate the compliance scheme, which will be called the Financial Advisers Monitoring Scheme (FAMS).

Dante De Gori, added: “Code monitoring will benefit all Australians seeking financial advice as they can have greater confidence and trust in the advice they receive. The cooperating associations will engage with consumers, other associations, financial planners/advisers, licensees and other stakeholders to develop the compliance scheme. I sincerely thank the cooperating associations for taking this unprecedented step in working together. The final application is due to be lodged with ASIC by 30 June 2019.”



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Background Information

Code Monitoring Australia Pty Ltd is a wholly owned subsidiary of the Financial Planning Association of Australia.

For further information or to speak with the FPA please contact:

Jeffrey Coote, Senior PR Manager, Filtered Media
d: 02 8188 3616 | m: 0404 275 665 | e: jeffrey@filteredmedia.com.au