



One Company
Many Brands



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General Manager
Retail Investor Division
The Treasury
Langton Crescent
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Email: futureofadvice@treasury.gov.au

Dear Ms Irene Sim

Exposure Draft - Legislative amendments relating to the use of the expressions 'financial planner' and 'financial adviser'

I write in response to the recently released Exposure Draft Legislation restricting the use of the terms financial planner and financial adviser. Suncorp welcomes the opportunity to comment on this exposure draft.

The Suncorp Group

Suncorp Group Limited and its related bodies corporate and subsidiaries (collectively 'Suncorp') offer a range of financial products and services in banking (Suncorp Bank), general insurance, life insurance and superannuation (Suncorp Life) across Australia and New Zealand. Suncorp has around 15,000 employees and relationships with over nine million customers.

This submission is made on behalf of the Suncorp General Insurance division.

Our Submission

Suncorp supports these amendments and the intention to reserve the terms financial planner and financial adviser for the exclusive use of those authorised to provide financial advice on a broad set of financial products.¹ Suncorp brands currently provide advice both on designated financial products (as defined within the exposure draft) as well as non-designated products such as general insurance products under a variety of different operating models within our business.

We are concerned that the proposed legislative amendments in this exposure draft are unnecessarily broad and may impact areas of our business where personal advice is provided on non-designated products. In particular, the restriction applying to expressions 'of like import' to 'financial adviser' (s923c (4)(a)(iii)) may impact parts of our general insurance business where the term 'adviser' is in common usage.

Suncorp currently trains and authorises a number of our customer service staff to provide personal advice on general insurance products only, for example under our Shannons and APIA brands. These staff are typically

¹ See: Para 1.14, Draft Explanatory Memorandum

titled 'customer service advisers' and may use a range of terms similar in nature to, or comprising the word 'adviser' to describe themselves and the services they are offering.

In addition, Suncorp has a number of authorised representatives who provide personal advice. These representatives are generally identified as 'advisers' or 'insurance advisers' or, for example under our Resilium brand, 'Resilium Advisers'. We submit that use of the term 'adviser' is appropriate where personal advice is being offered and represents natural language when used to describe the services offered.

Suncorp agrees that use of the term 'financial adviser' should be reserved, and that providers of advice on non-designated products should be prevented from holding themselves out to be providing broad-based financial advice as financial advisers. However, we believe it is vital that advice providers offering advice on non-designated financial products are provided ample flexibility to explain their offering in natural language using the term 'adviser' without breaching the 'of like import' ban.

We seek clarity that the 'of like import' does not extend to the use of the term 'adviser' generally.

In addition to the above concerns, Suncorp also highlights a minor drafting conflict as the Explanatory Memorandum paragraph 1.14 states a '*designated financial product*' is a general insurance product in contrast with s923c (5) of the draft legislation which states a *designated financial product means a financial product other than a general insurance product*.

Should you have any questions or comments regarding this submission, please contact me on 03 8681 9428, 0425 294 903 or annabelle.butler@suncorp.com.au. Alternatively, please contact Ben Honan, Stakeholder Management Advisor on 03 8681 9571, 0418 373 254 or ben.honan@suncorp.com.au.

Yours sincerely



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