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Education standards for experienced financial advisers and technical fixes for new entrants.

Response to exposure draft legislation

Eugene Serravalle, Compliance & General Manager on behalf of Lifespan Financial Planning Pty Ltd.

We take this opportunity to take part in and provide feedback on this consultation regarding the exposure draft bill and explanatory memorandum to deliver the government's election commitment to better recognise experienced financial advisers. Our submission is basically restating our feedback and comments relating to the Financial adviser education standards Consultation paper August 2022.

Experienced pathway

10 years' experience

The proposed window for determining 10 years' experience (between 1 January 2004 and 31 December 2021) is not appropriate and should be extended to 1 January 2026 to align with the current transition period for existing advisers.

We disagree with the notion put forward in the previous Financial adviser education standards Consultation paper August 2022, that advisers must have experience through "significant historical events, such as the global financial crisis (GFC), ensuring eligible experienced advisers have lived experience in volatile economic conditions" as this would not be the case for new entrants or others that meet that the qualification standard.

Furthermore, advisers who have entered prior to the GFC would have had less exposure to bad practices that have been largely stamped out since FOFA therefore we don't believe there is a reason to require people with similar levels of experience to undertake more study just because their experience started later. In fact, it could be argued that more recent experience is more relevant and worthwhile as it is being done under a framework with higher standards. We would also suggest that while it is important to keep older advisers from exiting, it is equally important to keep younger experienced advisers who have commitments with young families from changing career paths due to onerous and unnecessary requirements.



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