



4 September 2014

Committee Secretary
Parliamentary Joint Committee
on Corporations and Financial Services
PO Box 6100
Parliament House
Canberra ACT 2600

Dear Sir/Madam,

Inquiry into proposals to lift the professional, ethical and educational standards in the financial services industry.

AMP has long supported the need to lift professional standards for financial advice.

We strongly believe that good financial advice can make a real difference to people's lives. We also believe that our customers are entitled to the highest quality advice, provided by advisers conducting their business in an ethical manner.

Consistent with the above, on 21 August 2014, AMP announced a range of measures which will:

- Lift the qualifications of financial advisers
- Establish an AMP Customer Review panel, and
- Introduce a broad ranging ethics and responsible decision making program

A copy of the announcement is attached.

We believe that these are important initiatives which set a benchmark for the industry and will enhance the quality of advice provided to our customers.

Should you have any queries, please do not hesitate to contact me on [REDACTED].

Yours sincerely,

Alastair Kinloch

Media Release



21 August 2014

Public Affairs

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AMP lifts adviser education standards and launches customer panel

AMP has announced it will implement a series of measures across its licensee groups that aim to significantly lift the bar on adviser professionalism and reinforce its existing commitment to stand behind the advice it gives to consumers.

AMP Group Executive Advice and Banking Rob Caprioli said AMP, as the largest advice network in Australia, will work with the regulators and lead the way for the industry to help restore confidence and trust in financial advisers and the advice they give.

“This is a critical time for the industry and the measures we’ve announced today go to the heart of what we do – offering financial advice to help people live better lives. This commitment builds on our record of significant investment in the standards of professionalism for our financial advisers,” he said.

The measures are:

- All existing and new advisers must hold a Certified Financial Planner® (CFP), a Fellow Chartered Financial Practitioner (FChFP), or Masters in Financial Planning (MoFP) qualification.

New advisers must complete this qualification within five years of joining an AMP licensee while existing advisers have up to 31 December 2019 to do so. These qualifications are post-graduate degree equivalent, making AMP’s minimum requirements the industry’s highest.

- An AMP Customer Advice Review panel will be established by the end of this year to review any customer complaint about the quality of AMP’s personal advice when the customer is not satisfied with AMP’s response through normal channels.

If the panel finds the personal advice was not appropriate when it was given, the customer will be restored to the position they would have been in if the appropriate advice had been given. The panel, which will have an independent chair, will have the power to refund advice fees and compensate for losses.

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- A broad-ranging ethics and responsible decision-making program for advisers will be developed in conjunction with the St James Ethics Centre with industry input. The program, which will be available to any financial adviser in the industry, will be in place by mid-2015.

“Customers expect us to provide them with quality financial advice that puts their interests first. So we take this very seriously and will continue to look closely at what we do to ensure we continue to provide the best advice possible,” Mr Caprioli said.

“AMP stands behind the advice its advisers give to customers. That’s the benefit of seeking advice from an adviser backed by a large and trusted brand like AMP. We can make things right for those customers who don’t receive advice that’s in their best interests. The announcement today takes this commitment a step further.”

The AMP Customer Advice Review panel will be chaired by an independent representative and comprise a CFP, FChFP or MoFP advice professional and AMP’s Chief Customer Officer, Paul Sainsbury.

The industry-wide adviser registry, which will be developed by ASIC, has the full support of AMP. When the ASIC adviser registry is finalised, it will be available via AMP’s website.

“Ensuring easily accessible public information on individual advisers, including their qualifications, is an important step to increasing faith in the industry but more importantly it will help Australians seeking advice to more easily compare and select financial advisers,” Mr Caprioli said.

The role ASIC plays in partnering with the industry to ensure high standards and good outcomes for Australians seeking financial advice is critical and AMP strongly supports the FSI Interim Report’s policy option to increase funding to the regulator.

The measures announced today have the support of the Financial Planning Association (FPA) and the Association of Financial Advisers (AFA). The FPA and the AFA have 10,000 and 3,000 members, respectively. AMP is liaising with these groups and calling on the industry to adopt these measures.


Enabling advisers to choose between a CFP, FChFP and MoFP ensures all advisers across the AMP Group have access to the relevant qualifications.

“This builds on the work that our financial planning academy, Horizons, is doing to recruit, educate and develop new financial planners. Horizons entry standards are already among the highest in the industry with a 10 week intensive academy course followed by a nine month supervised placement in a practice.

“The academy also works with universities to increase awareness of financial planning as a career choice for graduates via the AMP University Challenge,” Mr Caprioli said.

AMP is working with its licensees to ensure all AMP financial advisers have the necessary support to achieve the measures outlined today.

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AMP's financial advice network in Australia comprises AMP Financial Planning, Charter Financial Planning, Genesys Wealth Advisers, Hillross, Horizons, ipac and smsf advice. 

Media enquiries

Amanda Wallace



Renae McGregor



AMP Group Executive Advice and Banking, Rob Caprioli, will hold a media briefing immediately after the 9.30am AMP half year results media briefing at the same venue.

Venue: AMP, Level 25, 33 Alfred Street, Circular Quay, Sydney

All attendees must enter via the Ground floor on Alfred Street to register.

Teleconference: AUSTRALIA – Toll free 1800 838 758. NEW ZEALAND– Toll free 0800 447 258