

Can you provide the committee with an indication of how many of your members:

- **operate with an AFSL;**

From data collected in 2009 prior to the removal of principal (licensee) membership from the association, the number of practitioners that operated with their own AFSL was around 50. Though we are unable to provide you with more updated figures, it would still only represent a minority of our practitioner membership.

- **operate as a representative of a person / firm with an AFSL;**

The FPA has around 7,500 practitioner members. As mentioned previously all practitioner members must provide proof of their authority to provide personal financial advice via their 'representative status' as a requirement for membership on the application. This would include practitioners that operate as 'self-employed' representatives as well as 'employed' representatives.

It should be noted that there is a very small number (estimated to be around 1%) within the 7,500 practitioner membership that are no longer 'practicing' and are either retired or operating in a mentoring/supervisory role. This includes Academics lecturing at Universities. All of these members are still required to maintain their Continuing Professional Development (CPD) training if they wish to remain as member.

- **operate without an AFSL under section 911A of the CA;**

Based on our understanding of section 911A of the Corporations Act, the majority of our 7,500 practitioner members would be operating under sub-section 911A(2)(a)(i). That is they would be exempt from holding a license because they provide the service as a representative of a second person who carries on a financial services business and who holds an AFSL.

It should also be noted that the note in sub-section 911A(2) states that: However, representatives must still comply with section 911B even if they are exempt from this section by this paragraph. Section 911B refers to 'Providing financial services on behalf of another person who carries on a financial services business'.

The FPA is unaware of any practitioner member operating under any other sub-section within 911A. We believe that this question would be more appropriately directed at ASIC.

- **operate without an AFSL without this exemption?**

It is our understanding that it would be unlikely that any practitioner member operates without an AFSL without this exemption.