

FINANCIAL OMBUDSMAN SERVICE



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14 February 2012

Dr Richard Grant
Acting Secretary
Parliamentary Joint Committee on Corporations and Financial Services
Parliament House
CANBERRA ACT 2600

By email: corporations.joint@aph.gov.au

Dear Dr Grant

Inquiry into the Corporations Amendment (Future of Financial Advice) Bill 2011 and the Corporations Amendment (Further Future of Financial Advice Measures) Bill 2011

The Chief Ombudsman of the Financial Ombudsman Service, Mr Shane Tregillis, gave evidence at the hearing for the inquiry on 24 January 2012. At the hearing, Mr Tregillis undertook to:

- provide our revised submission to the inquiry;
- provide our annual reviews for the years ending 30 June 2009 and 30 June 2010; and
- inform the Committee about whether we have received any intra-fund advice disputes.

Our revised submission was emailed to the Committee on 25 January 2012.

The annual reviews referred to above are attached.

We do not keep records to indicate whether disputes about financial advice relate to intra-fund advice. So we do not have statistics on the prevalence of intra-fund advice disputes.

Ms Alison Maynard, in her role as our Investments, Life Insurance and Superannuation Ombudsman, becomes aware of the details of many of the

financial advice disputes that we receive. According to Ms Maynard, we only receive a small number of intra-fund advice disputes – perhaps three or four per year. Manual searches (which may not capture all cases) indicate that three of the disputes that we have received since 1 January 2010 have been intra-fund advice disputes. To put this information in context, we received 2,235 disputes about investment products and services in the year ending 30 June 2011.

Yours sincerely

Carolyn Bruns
Policy Manager
Financial Ombudsman Service Limited