



Superannuation
Complaints
Tribunal

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27 January 2012

Dr Richard Grant
Acting Secretary
Senate Economics Committees, SG.64
PO Box 6100
Parliament House
CANBERRA ACT 2600

Dear Dr Grant

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

Thank you for your email letter of 28 November 2011 and the invitation to make a submission to the above inquiry.

The attached submission concerns the dispute resolution aspects of superannuation funds and their trustees providing advice under the FOFA proposals. These aspects follow from the proposals for amendments to the *Corporations Act 2001* in relation to limited or scaled advice given by the trustees of superannuation funds.

The submission consists of a Paper prepared by the Tribunal earlier this year as the elements of the FOFA proposals were being developed. The paper outlines the Tribunal's understanding of some of the key issues arising in relation to the current arrangements for the resolution of disputes regarding financial advice provided by superannuation funds. The purpose of the Paper was to help inform parties involved in the development of the FOFA proposals so that this aspect could be taken into consideration in the further development of those proposals.

A draft of the Paper was distributed to participants at the regular ASIC External Dispute Resolution ('EDR') Forum meeting held in May 2011, and forwarded to Treasury. An updated version of the Paper was developed in August 2011 following receipt of comments from ASIC and industry. That updated version is attached.

Briefly, the Paper notes the effect of the current arrangements that complaints about essentially the same subject matter – advice to a member about their superannuation interest in a fund – would be heard by the Tribunal where the advice was provided by the trustee of the fund, or heard by an ASIC approved EDR scheme where the advice was provided by another person, with different remedies and appeal rights.

Should you require any further information in relation to the submission please contact me on (03) 8635 5551 or by email.

Yours sincerely

Jocelyn Furlan
Chairperson

Attachment: *Future of Financial Advice and Dispute Resolution*