



22 April 2013

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

Email: corporations.joint@aph.gov.au

Dear Committee Secretary

Corporations Amendment (Simple Corporate Bonds and Other Measures) Bill 2013

Suncorp welcomes the opportunity to submit to the Parliamentary Joint Committee on Corporations and Financial Services Inquiry into the *Corporations Amendment (Simple Corporate Bonds and Other Measures) Bill 2013 (the Bill)*. Suncorp's submission relates to the use of the expressions "financial planner" and "financial adviser" as amended by Schedule 2 of the Bill.

The Suncorp Group

Suncorp Group Limited and its related bodies corporate and subsidiaries (collectively 'Suncorp') offer a range of financial products and services in banking (Suncorp Bank), general insurance, life insurance and superannuation (Suncorp Life) across Australia and New Zealand. Suncorp has around 15,000 employees and relationships with over nine million customers.

This submission is made on behalf of the Suncorp General Insurance division.

Our Submission

Suncorp supports these amendments and the intention to reserve the terms financial planner and financial adviser for the exclusive use of those authorised to provide financial advice on a broad set of financial products. Suncorp brands currently provide financial advice under a variety of different operating models within our business and we welcome moves to improve consumer confidence in financial advice.

While supportive of the amendments, Suncorp is concerned that compliance with the proposed restriction applying to expressions 'of like import' to 'financial adviser' (s923c (4)(a)(iii)) will prove difficult in areas of our business where personal advice is provided on non-designated financial products, such as general insurance.

Suncorp currently trains and authorises a number of our customer service staff to provide personal advice on general insurance products only, for example under our Shannons and APIA brands. These staff are typically

titled 'customer service advisers' and may use a range of terms similar in nature to, or comprising the word 'adviser' to describe themselves and the services they are offering to consumers. In addition, Suncorp has a number of authorised representatives who provide personal advice. These representatives are generally identified as 'advisers' or 'insurance advisers' or, for example under our Resilium brand, 'Resilium Advisers'.

The ban as currently worded would result in these staff attempting to explain they are trained and licenced to provide financial advice on general insurance, but are not 'financial advisers'. This presents a compliance challenge as use of the word 'adviser' and similar terms represent natural language when describing the services our staff provide.

Suncorp believes it is vital that providers of non-designated financial product advice are provided ample flexibility to explain their offering in natural language using the term 'adviser' without breaching the 'of like import' ban. We seek clarity that the 'of like import' ban does not extend to use of the term 'adviser' more generally.

Suncorp would also welcome clarification regarding how providers of advice on non-designated products may refer to themselves in a way that both distinguishes them from 'financial advisers' and conveys that they are licenced to provide financial advice.

Should you have any questions or comments regarding this submission, please contact me on
or
Management Advisor on

Alternatively, please contact Ben Honan, Stakeholder
or

Yours sincerely

Annabelle Butler
Executive Manager
Public Policy and Stakeholder Management