

**Parliamentary Joint Committee on  
Corporations and Financial Services**

**Inquiry into disclosure of commissions on  
risk products**

**Submission No.** 49

**Submittor:** Mr Gary Plumridge  
Authorised Representative of  
AXA Financial Planning  
10 Aberdeen Street  
GEELONG VIC 3220

**Telephone:** 03 5229 5966

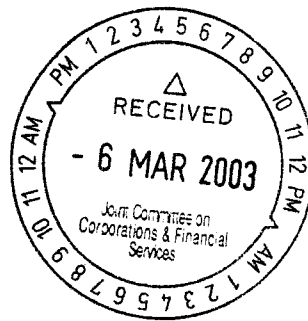
**Facsimile:** 03 5229 5756

**EMAIL:** plumridge@bigpond.com

**Attachments?** No attachments

**Gary D. Plumridge** A.F.P.A.  
Authorised Representative

"Gateway Financial Group"  
10 Aberdeen Street  
Geelong Victoria 3220  
Ph: (03) 5229 5966  
Fax: (03) 5229 5756  
Email: plumridge@bigpond.com



AXA Financial Planning

January 29<sup>th</sup>, 2003

Senator Grant Chapman  
Chairperson  
Parliamentary Joint Committee on  
Corporation & Financial Services  
Parliament House  
CANBERRA, ACT 2600

Dear Senator Chapman,

**RE: DISCLOSURE OF COMMISSION ON RISK PRODUCTS**

As a Financial Adviser of almost 20 years experience, I wish to register my strong disapproval of having to disclose commission on Risk Insurance products.

I do strongly support the disclosure of brokerage in relation to Investment products for the following reasons:

1. Investment products vary greatly in the fee structures and the brokerage that is paid to advisers for such advice. Whereas, with Risk related products the commission paid to the adviser has no bearing on the cost to the client. Having written many thousands of Risk Insurances throughout my career, I believe the remuneration we receive is fair compensation for the efforts we go to in locating the correct product for our client's needs. We also in this transaction, receive remuneration that will provide ongoing service from the proposal, to acceptance, to claim period. All these services must be covered with the commission we receive at the initial point of sale.
2. We also have additional Compliance Regimes forced upon us, which I feel is a good thing but very time consuming but once again our client is reaping the benefit of this extra consumer protectionism but it does come at a cost.

I therefore strongly recommend in your inquiry that non-disclosure of commission on Risk Products remains the chosen position for the reasons mentioned above.

I feel that bringing the commission issues to the consumer, will preclude many from making any form of decision in respect to their Life Insurance requirements and it will be a cost that the Government and the community can ill afford.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Gary Plumridge'.

**GARY PLUMRIDGE** CFP, Dip FP  
Authorised Representative of  
AXA Financial Planning