



MEDIA RELEASE

AFA WELCOMES THE DEBATE

Sydney: 12 March, 2010 – The Association of Financial Advisers (AFA) Board has welcomed the debate opened publicly by Chairman of Matrix Planning Solutions (Matrix), Peter Franzen.

AFA National President, Dr Jim Taggart, says Mr Franzen's letter is tapping into a range of views prevalent in some parts of the market place, including:

- clarity around the value of advice
- the need for an adviser only association
- the need to set practice, ethical and educational standards
- the need for consumer choice in how they access and pay for advice

"The AFA has always argued that the voice of the adviser needs to be clear and unequivocal in its positioning to the Government, the regulator and the community at large," Dr Taggart says. "Since 1946, we have been an Association of, by and for advisers, supporting them in their role to build, manage and protect the wealth of everyday Australians. Only practitioner members of the AFA can sit on the AFA Board. Unlike the Financial Planning Association, when we speak it is the views of our adviser members working in the trenches, and only advisers, that we articulate."

Dr Taggart also says that enshrined in the AFA's Code of Ethics is the requirement to always operate in the best interests of the client. "Our message could not be simpler. We exist solely to represent and support advisers in looking after their clients," he says. "While the AFA Board will meet shortly to discuss Mr Franzen's letter, the issues he raises are matters not only for the Board, but for our members."

However, AFA CEO, Richard Klipin, says the AFA recognises that there is strength in numbers and clarity of purpose is important. "Influencing the political and regulatory agenda is a numbers game and the greater the numbers, the greater the influence," he says.

Mr Klipin also says that whilst industry debates are important, it is more important to focus on delivering value to Australia's families and businesses "It's become very evident in the past two years that the advice community needs to better communicate their value proposition to the Government, the regulator, the market place and, most importantly, to consumers," Mr Klipin says. "This means it is time anyone and everyone connected with the advice community learns to communicate the value of what they do, so that Australians who

have inadequate superannuation, who are under-insured and who are under-advised are able to access quality advice at an affordable price.”

Media Contacts:

Julie Bennett
64 Media
0407 071 121
julie@64media.com.au

Richard Klipin, CEO
Association of Financial Advisers
0412 127 834
Richard.klipin@afa.asn.au