

Agenda Item 8(b) Royal Commission Implementation and Stakeholder Engagement

Government's Implementation of the Financial Services Royal Commission Recommendations and Announcement on FASEA

The following developments on the government's implementation of the recommendations from the Financial Services Royal Commission have occurred since the update provided at the November 2020 Board meeting:

- [12 November 2020](#) legislation introduced to parliament and passed on [10 December 2020](#) to address 20 of the Financial Services Royal Commission including to strengthen unsolicited selling (anti-hawking) laws, deferred sales model for add-on insurance and allowing provisions in financial industry codes enforceable.
- [9 December 2020](#) legislation introduced to parliament to address recommendations; 2.1 (strengthen and simplify ongoing fee arrangement frameworks to minimise risk of fee for no service); 2.2 (amend disclosure requirements about independence); and 3.2 & 3.3 (ensure only fees for one-off financial advice deducted from MySuper accounts).

The current status of legislation and regulations can be found [here](#).

Technical Staff Stakeholder Engagement since the November 2020 Board Meeting

FASEA

Technical Staff met with Stephen Glenfield, CEO of FASEA, on 4 December 2020 to hold preliminary discussions about broad objectives of engagement between FASEA and APESB and respective scopes of the two organisations. Technical Staff will continue discussions with Mr Glenfield in 2021.

ASIC

Technical Staff met with Kate Metz, Senior Executive Leader (SEL) – Financial Advisers at ASIC and other ASIC staff members on 14 December 2020. Technical Staff have also approached Brendan Facey, SEL – Misconduct & Breach Reporting at ASIC to determine whether they can assist with intelligence about complaints received by ASIC in relation to financial planning services and proportion of complaints that fall outside of the remit of AFSLs and ACLs.

AFCA

Technical Staff have commenced engagement with staff from the Australian Financial Complaints Authority (AFCA) with the aim of obtaining intelligence in respect of the nature of complaints received by AFCA and proportion of complaints that fall outside of the remit of AFSLs and ACLs. Technical Staff will continue to liaise with AFCA staff.