



## **Financial Adviser Standards and Ethics Authority**

### **Consultation Paper 4: Provisional Relevant Provider Term**

#### **CONSULTATION OPEN**

FASEA invites submissions on the guidance contained in this document in relation to the Provisional Relevant Provider Term as per s921U(2)(a)(v) of the Corporations Amendment (Professional Standards of Financial Advisers) Act 2017.

We invite you to provide written submissions and/or comments to FASEA through our dedicated consultations address ([consultation@fasea.gov.au](mailto:consultation@fasea.gov.au)) by 17 August 2018.

FASEA also intends to run forums with representatives of different stakeholder groups.

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## 1. Introduction and Background

The Financial Adviser Standards and Ethics Authority (FASEA) was established on April 11, 2017 under the Corporations Amendment (Professional Standards for Financial Advisers) Act 2017 to set the education, training and ethical standards for financial advisers. FASEA is established as a Commonwealth Company under clause 8 of the constitution and operates on a not for profit basis.

On 13 June 2017, FASEA was declared as the standards body under the Corporations Act 2001.

FASEA is responsible for setting the education, training and ethical standards of financial advisers, licensed under Australian law.

The Board of FASEA Ltd was appointed by the Minister for Revenue and Financial Services, the Hon Kelly O'Dwyer MP on 10 April 2017. Further information on the Board membership can be found on the [FASEA Website – about us](#).

## 2. Purpose for a standard on the term for Provisional Relevant Provider

The provisional provider term is an essential component of the standards framework to ensure it is clear to consumers when they are receiving advice from a Provisional Relevant Provider.

The Standards Authority has been requested to specify a word or expression to refer to a Provisional Relevant Provider.

## 3. Term to refer to Provisional Relevant Provider

To ensure the consumer requirements are met, and that it is obvious that the individual is undertaking the work and training requirements, it is proposed that the term is "Provisional Financial Adviser".

Provisional Relevant Provider's must be referred to by this term and no other similar term, including Relevant Provider, Financial Adviser or Financial Planner.

Other terms considered include "Candidate Adviser", "Trainee Adviser" and "Supervised Adviser".

Provisional Relevant Providers will be entered onto the Register of Relevant Providers as a Provisional Financial Adviser via notification to ASIC by a financial services licensee. The financial services licensee must then notify ASIC about a person who becomes a relevant provider (s922D) when, in this case, the Provisional Financial Adviser completes the requirements for work and training.

## MAKE YOUR SUBMISSION

Your feedback and submissions on this consultation paper will assist the Standards Authority to finalise the development of the examination for financial advisers. Submissions must be provided in writing to our dedicated consultation address ([consultation@fasea.gov.au](mailto:consultation@fasea.gov.au)).

**Due date for submission: 5pm 17 August, 2018**

### Consultation interests of FASEA

We encourage you to provide feedback on any aspect of the provisional relevant provider term. The Standards Authority is interested in your specific feedback on:

1. Is the proposed term of “Provisional Financial Adviser” an appropriate term to define an individual who is undertaking their work and training requirement? If not, why not?
2. Is the proposed term of “Provisional Financial Adviser” appropriate to ensure consumers understand the individual is undertaking their work and training requirement? Are there any implications of this from a consumer perspective?
3. Are there any other alternative terms that may be considered?

### Information about you

It will assist FASEA to understand who has provided submissions and the type of environment you might work in.

Please provide: your name, your role (job title), your role in making the submission (e.g. financial adviser, licensee, client etc).

You may also advise if you want your submission (or parts of it) to be treated as confidential. FASEA intends to publish all non-confidential submissions on its website and the names of those who submit confidential submissions (but not their submission).

We understand that you may have specific questions from the proposed guidance. We invite you to provide your submission and feedback through this process and advise that we will not be able to respond to individual questions and queries. All feedback received to that email address will be collated for consultation and may also assist FASEA in the development of FAQs that will be progressively updated on our website – [www.fasea.gov.au](http://www.fasea.gov.au).