

# Appendix 1

## Public hearings and witnesses

**Sydney, 21 June 2013**

*Australian Custodial Services Association*

Mr Pierre Jond, Chairman; Managing Director, BNP Paribas Securities Services  
Mr Paul Khoury, Deputy Chairman

*Australian Institute of Superannuation Trustees*

Ms Karen Volpato, Senior Policy Adviser

*Australian Securities and Investments Commission*

Mr Peter Kell, Commissioner  
Mr Greg Tanzer, Commissioner  
Ms Calissa Aldridge, Senior Manager  
Ms Cathie Armour, Commissioner

*BT Financial Group*

Mr Royce Brennan, General Manager, Risk

*CPA Australia*

Mr Amir Ghandar, Policy Adviser, Audit and Assurance

*Dixon Advisory*

Ms Nerida Cole, Managing Director, Financial Advisory

*Ernst & Young*

Mr Graeme McKenzie, Partner

*Financial Services Council*

Ms Eve Brown, Senior Policy Manager, Trustees  
Mr Martin Codina, Director, Policy

*Lonsec Research*

Mr Richard Everingham, General Manager, Strategy and Development

*Macquarie Group Ltd*

Mr Anthony Graham, Executive Director

*One Investment Group*

Mr Justin Epstein, Executive Director

*van Eyk Research Pty Ltd*

Mr Mark Thomas, Chief Executive Officer

## **The roundtable participants**

### ***Lonsec Research Pty Ltd (Lonsec)***

Lonsec, and its predecessor Lonsdale Securities, has been a provider of investment research to the Australian financial intermediary market since 1993. Lonsec is a market leader in the unlisted (managed funds) research segment. For the past three years Lonsec has been voted the number one research house (both by users of investment research and financial product issuers) for managed funds research.<sup>1</sup>

Lonsec began as part of a licensed financial planning dealer group, but is now a stand-alone business. It offers research on listed and unlisted investments, stockbroking services to financial advisers, equity model portfolios and investment consulting services.<sup>2</sup>

### ***van Eyk Research***

van Eyk is an independently owned financial services group established in 1989. van Eyk does not accept fees for rating fund managers, and its investment research is only available on a 'user pays' subscription basis to financial planners.

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1 Lonsec, Statement to the Parliamentary Joint Committee on Corporations and Financial Services, 17 June 2013; Money Management, Lonsec named research house of the year for 2012, <http://www.moneymanagement.com.au/analysis/rate-the-raters/lonsec-named-research-house-of-the-year-for-2012> (accessed 11 July 2013).

2 Lonsec, Statement to the Parliamentary Joint Committee on Corporations and Financial Services, 17 June 2013; Lonsec, Lonsec services, <http://www.lonsec.com.au/asp/General/Services.aspx> (accessed 11 July 2013).

Van Eyk covers traditional sectors such as Australian equities, smaller companies, international equities and fixed interest, as well as alternative sectors like hedge funds and commodities. Van Eyk ratings are based on in-depth qualitative research.<sup>3</sup>

### ***Dixon Advisory***

Dixon Advisory is an independently-owned Australian financial advisory firm. It was founded in 1986 by Daryl Dixon. Dixon Advisory helps in excess of 15,000 families with their superannuation and financial affairs including over 4,000 with self-managed super funds (SMSFs) with a combined asset base in excess of \$4 billion.<sup>4</sup>

Dixon Advisory offers financial strategy advice, SMSF administration, investment advice, estate planning advice and wills drafting, personal insurance advice, and property advice. Dixon Advisory is also the RE for the US Masters Residential Property Fund which provides investors with the opportunity to gain exposure to a diversified portfolio of US-based residential property assets.<sup>5</sup>

Dixon Advisory was rated by *Financial Review Smart Investor* as the number one SMSF provider in 2012 and 2011, and won the *Australian Business Award Service Excellence* in 2013 and 2012.

### ***Macquarie Group Limited***

Macquarie Group Limited, through its Banking and Financial Services Group (BFS), operates in the retail financial services industry at many levels and as both a provider of financial services and financial products.

Macquarie Adviser Services (MAS) is a division within BFS that primarily distributes financial products and services through intermediaries. MAS deals with financial planners and financial advisers who have their own AFS licences, or are representatives of AFS licensees.

Macquarie Private Wealth (MPW) is another division in BFS that provides financial advising and broking services. Macquarie Group employs financial planners and financial advisers in its MPW business, and it provides financial services under a Macquarie AFS licence.

Different Macquarie Group licensed entities also perform trustee, custodial and RE functions.

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3 Van Eyk, Investment research, <http://www.vaneyk.com.au/index.cfm> (accessed 11 July 2013).

4 Dixon Advisory, About Dixon Advisory, <http://www.dixon.com.au/About-us/About-us.aspx> (accessed 11 July 2013).

5 Dixon Advisory, Dixon Advisory Services, <http://www.dixon.com.au/Services/Services.aspx> (accessed 11 July 2013).

### ***Australian Custodial Services Organisation***

The Australian Custodial Services Association Limited (ACSA) is the peak industry body representing members of Australia's custodial and investment administration sector. Formed in 1994, ACSA represents members holding securities in excess of \$1.8 trillion in custody and under administration.

ACSA's aim is to contribute to innovation within Australia's investment administration infrastructure, support the development of custody professionals, and to provide leadership in representing its members.<sup>6</sup>

Major activities are accomplished by a series of ACSA working groups in the areas of taxation, regulation and compliance, custody operations, corporate actions, professional development, communications, and administration.<sup>7</sup>

### ***Australian Institute of Superannuation Trustees***

The Australian Institute of Superannuation Trustees (AIST) is an independent, not-for-profit professional body. It is the principal advocate and peak representative body for the not-for-profit superannuation sector. Its members are the trustee directors and staff of industry, corporate and public-sector superannuation funds, who manage the superannuation accounts of two-thirds of the Australian workforce.

AIST's mission is to protect the interests of Australia's \$500 billion not-for-profit superannuation sector. It plays a key role in policy development, and is a leading provider of research. As a registered training organisation, AIST provides professional training, compliance and consulting services, and support for trustees and fund staff.<sup>8</sup>

### ***Financial Services Council***

The Financial Services Council (FSC) represents Australia's retail and wholesale funds management businesses, superannuation funds, life insurers, financial advisory networks, licensed trustee companies and public trustees.

The members of the FSC are Australia's leading wealth managers with responsibility for managing savings and facilitating investment. The FSC advocates on behalf of its members and contributes to macro-economic policy issues.

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6 Australian Custodial Services Association, about ACSA, [http://www.custodial.org.au/public\\_panel/aboutacsa.php](http://www.custodial.org.au/public_panel/aboutacsa.php) (accessed 11 July 2013).

7 Australian Custodial Services Association, Working groups, [http://www.custodial.org.au/public\\_panel/workinggroups.php](http://www.custodial.org.au/public_panel/workinggroups.php) (accessed 11 July 2013).

8 Australian Institute of Superannuation Trustees, Statement to the Parliamentary Joint Committee on Corporations and Financial Services, 17 June 2013; Australian Institute of Superannuation Trustees, Who are we?, <http://www.aist.asn.au/about/who-are-we.aspx> (accessed 11 July 2013)

Key priorities for the FSC include improving the well-being of all Australians; promoting financial adequacy for all Australians; increasing consumer confidence in the financial services industry; promoting efficiency, integrity and good regulation; and improving the professionalism and success of the FSC and its members. The FSC has been a prominent stakeholder in discussions on the FOFA legislation.<sup>9</sup>

### ***BT Financial Group***

BT Financial Group is the wealth management arm of the Westpac Group, which, following the Westpac and St George merger in late 2008, also includes the wealth division of St George bank.

BT Financial Group offers a wide spectrum of wealth services including investment, superannuation and retirement income products, investment platforms, financial advice, private banking and insurance solutions.

Key brands in the group include Advance, Ascalon Capital Managers, Asgard, BankSA Financial Planning and Insurance, BT, BT Investment Management (60 per cent owned by Westpac Group), Licensee Select, Magnitude, Securitor, St. George: Financial Planning, Insurance and Private Clients, and Westpac: Financial Planning, Insurance, and Private Bank.<sup>10</sup>

### ***One Investment Group***

One Investment Group is an independent Australian funds management business established to provide RE, trustee, corporate trust, custody and fund administration services. One Investment Group specialises in a range of asset classes including real estate, private equity, infrastructure, equity, mortgage and hedge funds.

Entities within One Investment Group currently operate as RE of numerous registered schemes and as trustee of more than 100 unregistered schemes. The total value of assets within these schemes is in excess of \$3 billion.<sup>11</sup>

One Investment Group also has four entities which provide financial and investment advice to corporations, financial institutions and public sector clients.<sup>12</sup>

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9 Financial Services Council, Statement to the Parliamentary Joint Committee on Corporations and Financial Services, 17 June 2013; Financial Services Council, About us, <http://www.fsc.org.au/about-us/about-the-financial-services-council.aspx> (accessed 11 July 2013).

10 BT Financial Group, Who we are, <http://www.btfsg.com.au/about-bt-financial-group/who-we-are/who-we-are.asp> (accessed 11 July 2013).

11 One Investment Group, Company overview, <http://oneinvestment.com.au/about/> (accessed 11 July 2013).

12 One Investment Group, Advisory services, <http://oneinvestment.com.au/services/advisory-services/> (accessed 11 July 2013).

### ***Ernst & Young***

Arthur Young & Company was formed in 1906, and Ernst & Ernst was formed in 1903. In 1989, the firms combined to create Ernst & Young. Ernst & Young is a global organization of member firms of Ernst & Young Global Limited, each of which is a separate legal entity. The business units are grouped into four geographic Areas: the Americas; Asia-Pacific; Europe, Middle East, India and Africa; and Japan.

Ernst & Young provides auditing, assurance, and tax services. It also offers advisory services in areas including capital transactions, productivity and performance.<sup>13</sup>

### ***CPA Australia***

CPA Australia is one of the world's largest accounting bodies with a membership of more than 144,000 finance, accounting and business professionals in 127 countries across the globe.

Core services to members include education, training, technical support and advocacy. Staff and members work together with local and international bodies to represent the views and concerns of the profession to governments, regulators, industries, academia and the general public.

A Certified Practising Accountant (CPA) is a finance, accounting and business professional with a specific qualification. The CPA designation is a mark of high professional competence.<sup>14</sup>

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13 Ernst and Young, Services, <http://www.ey.com/AU/en/Services> (accessed 11 July 2013).

14 CPA Australia, About us, <http://www.cpaaustralia.com.au/cps/rde/xchg/cpa-site/hs.xsl/about.html> (accessed 11 July 2013).