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Mr Bernie Ripoll, MP
Chairman
Parliamentary Joint Committee on Corporations and Financial Services
Parliament House
Canberra ACT 2600

Dear Mr Ripoll,

Thank you for your time recently in discussing at length AMP's submission to the Parliamentary Joint Committee's (PJC) Inquiry into Financial Products & Services in Australia with Alastair Kinloch. I appreciate the open, consultative approach that you have adopted with regards to this Inquiry.

AMP would like to take the opportunity to comment on one of the recommendations included in ASIC's submission to the PJC in relation to fiduciary obligations for financial planners.

AMP supports the recommendation that financial planners act in the "best interests" of their clients. AMP considers that under the general law financial planners already have a fiduciary obligation to their clients in many aspects of their relationship.

Indeed, arguably Section 945A of the Corporations Act has a stricter application than a fiduciary duty because it imposes an objective standard that a planner must meet in preparing and giving advice, which extends beyond a planner's general fiduciary duty to act honestly, and for a proper purpose, and to obtain consent to any conflicts or collateral benefits.

This is an extremely complex area and, in our view, it is important that the duties applying to financial planners are consistent with other professions in Australia.

ASIC acknowledges in its submission, that further work needs to be undertaken in relation to this issue and that further guidance needs to be provided on the practical implementation of the principle that advice must be in the best interests of clients.

AMP looks forward to working with ASIC in finding the appropriate balance for improving the standards of the financial planning profession.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Craig Dunn', written in a cursive style.

Craig Dunn.