

Terms of Reference

Financial Advisers Consultative Panel

Purpose

This document sets out the Terms of Reference of the Financial Advisers Consultative Panel (**FACP**).

Document Ownership and Control

The Senior Executive Leader, Financial Advice and Investment Management, is responsible for the development, implementation and maintenance of the Financial Advisers Consultative Panel's Terms of Reference.

The Terms of Reference have been reviewed and approved by the following parties on the following dates:

| Version | Approval Name (Person/Role, Board/Committee) | Comments | Date |
|---------|---|--|------------|
| V1 | Senior Executive Leader, Financial Advisers | Approved final version. | 10/02/2017 |
| V2 | Senior Executive Leader, Financial Advisers | Revised following Diversity Commitment. | 20/06/2017 |
| V3 | Senior Executive Leader, Financial Advisers | Revised following rename to FACP and in accordance with Terms of Reference Template, Meetings Governance Guide. | 18/09/2017 |
| V4 | Senior Executive Leader, Financial Advice and Investment Management | Revised to reflect newly formed Financial Advice and Investment Management Team name. | 02/08/2023 |

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1. Role of the Financial Advisers Consultative Panel

- 1.1. The role of the FACP is to supplement ASIC's existing engagement with the financial advice industry by:
 - 1.1.1. contributing to our understanding of issues in the financial advice industry;
 - 1.1.2. improving ASIC's capacity to identify, assess and respond to emerging trends in the financial advice industry; and
 - 1.1.3. enhancing our relationships with our key stakeholders.
- 1.2. This will assist ASIC in achieving its regulatory mission of:
 - 1.2.1. changing behaviours to drive good consumer and investor outcomes;
 - 1.2.2. acting against misconduct to maintain trust and integrity in the financial system;
 - 1.2.3. promoting strong and innovative development of the financial system
 - 1.2.4. help Australians to be in control of their financial lives.
- 1.3. The FACP is a consultative body only, made up of financial advice practitioners.

2. Composition of the FACP

Number of members

- 2.1. The FACP will consist of approximately 10 members, with additional ASIC attendees.
- 2.2. The actual number of members comprising the FACP is determined from time-to-time by the Senior Executive Leader, Financial Advice and Investment Management.

Membership

- 2.3. Members of the FACP will serve in their personal capacity (not as a representative of a licensee or an industry association) for a term not exceeding 4 years, with approximately half of the membership of the FACP (generally those longest serving) retiring every 2 years.
- 2.4. At the end of the second year of the FACP's operation, approximately half of the FACP's members will retire to enable FACP member numbers and experience to be maintained on an ongoing basis.
- 2.5. Terms of membership may be extended at the discretion of the Senior Executive Leader, Financial Advice and Investment Management.
- 2.6. The FACP will be comprised of financial advisers. The combined expertise of the FACP members will cover the following areas:
 - 2.6.1. investment;
 - 2.6.2. insurance;
 - 2.6.3. superannuation;

- 2.6.4. self-managed superannuation funds; and
- 2.6.5. digital financial advice.
- 2.7. The FACP members will be selected from ASIC's regulated population and will comprise financial advisers of small, medium and large licensees that are non-aligned as well as affiliated with large financial institutions, and accountants operating under limited licences or authorisations. This will ensure that the views expressed by the FACP are representative of the regulated population.
- 2.8. FACP members may be nominated by an industry body or association and/or Senior Executive Leader, Financial Advice and Investment Management.
- 2.9. Members will come from a diverse background so that the Panel gains maximum benefit from the diversity of thought that comes from different backgrounds, genders, skills and perspectives.
- 2.10. Appointments will be made at the discretion of the Senior Executive Leader, Financial Advice and Investment Management.

Chair

- 2.11. The FACP will be chaired by the Senior Executive Leader, Financial Advice and Investment Management, or an alternate selected at that person's discretion.
- 2.12. The Senior Executive Leader, Financial Advice and Investment Management may review the Chair arrangements for the FACP.

3. Member Responsibilities

- 3.1. FACP members will:
 - 3.1.1. participate and provide feedback on current matters of interest, focus or concern during FACP meetings;
 - 3.1.2. provide perspectives from the financial services industry on new developments and emerging threats and harms;
 - 3.1.3. subject to other commitments, make themselves available to provide advice on ad hoc issues or to working groups (specific to their expertise), which may arise from time to time and which are outside the forum of FACP meetings.
- 3.2. Topics for discussion will not include current ASIC regulatory actions with specific entities, including any legal proceedings.

4. Meeting Proceedings & Administration

Frequency

- 4.1. The FACP meets 3 times annually.
- 4.2. Each FACP meeting will be approximately 2 to 3 hours in duration.
- 4.3. The Senior Executive Leader, Financial Advice and Investment Management may convene additional FACP meetings if considered necessary.

ASIC secretary and attendees

OFFICIAL

- 4.4. Secretarial services to the FACP will be provided by the ASIC Financial Advice and Investment Management team and staff to perform this role will be nominated by Senior Executive Leader, Financial Advice and Investment Management.
- 4.5. ASIC Commissioners and Chair have a standing invitation to attend FACP meetings.
- 4.6. The following ASIC staff also have standing invitations to attend FACP meetings:
 - 4.6.1. Senior Managers, Financial Advice and Investment Management;
 - 4.6.2. Senior Specialists, Financial Advice and Investment Management;and as required by the Senior Executive Leader, Financial Advice and Investment Management.

Agenda

- 4.7. Agenda topics may be nominated:
 - 4.7.1. by FACP members;
 - 4.7.2. by ASIC staff members including the Senior Executive Leader, Financial Advice and Investment Management;
 - 4.7.3. in consultation with ASIC Stakeholder and Enforcement teams.
- 4.8. Agenda topics may also be influenced by emerging issues that have been identified by other ASIC committees and panels, for example ASIC's Emerging Threats and Harms Committee.
- 4.9. Final agenda items for FACP meetings are determined by the Senior Executive Leader, Financial Advice and Investment Management.
- 4.10. The Agenda will be circulated after the Senior Executive Leader, Financial Advice and Investment Management has approved the Agenda.

Location

- 4.11. FACP meetings will be held face-to-face in ASIC's offices, or via video conference, as determined by the Senior Executive Leader, Financial Advice and Investment Management.
- 4.12. Interstate FACP members will have reasonable travel costs paid for by ASIC, as determined by the Senior Executive Leader, Financial Advice and Investment Management.

Review

- 4.13. The terms of operation of the FACP will be reviewed by the Senior Executive Leader, Financial Advice and Investment Management on a periodic basis to ensure the FACP continually improves and contributes to the Financial Advice and Investment Management Team and ASIC strategic priorities.

5. Conflicts of interest protocol

- 5.1. At the beginning of each FACP meeting, each member must disclose to the Chair of the meeting any conflicts of interest, real or potential, they may have in relation to any agenda item.
- 5.2. Members must also notify the Chair of the meeting of any conflicts of interest that arise during the course of the meeting.
- 5.3. Unless the Chair of the meeting decides otherwise, the member disclosing any conflict of interest should exclude themselves from the meeting for each relevant agenda item and not take part in FACP discussions relating to that matter.

6. Confidentiality

- 6.1. Advice and input provided by FACP members will be treated as confidential by ASIC.
- 6.2. Members must treat information and materials provided by ASIC as confidential to ASIC.
- 6.3. FACP members acknowledge that ASIC is subject to:
 - 6.3.1. Parliamentary oversight; and
 - 6.3.2. the Freedom of Information Act 1982.
- 6.4. ASIC may acknowledge the existence of the FACP and name members of the FACP publicly, including in its Annual Report and on its website.