



FINANCIAL PLANNING
ASSOCIATION *of* AUSTRALIA

Manager
Financial Services Unit
Financial System Division
The Treasury
Langton Crescent
PARKES ACT 2600

Email: lifeinsurance@treasury.gov.au

4 November 2016

Dear Ms Roessgen

RE: *Corporations Amendment (life Insurance Remuneration Amendments) Regulation 2016*

The Financial Planning Association of Australia (FPA) welcomes the opportunity to provide feedback to the Exposure Draft regulations for *Corporations Amendment (life Insurance Remuneration Amendments) Regulation 2016*.

The FPA welcomes the sensible approach taken by the package of measures to help ensure the sustainability of the life insurance advice industry by providing businesses an appropriate amount of time to transition their business models. We further welcome that the amended regulations address the issues we raised in our previous submission on the regulations.

The FPA would like to raise one potential drafting issue in particular for Treasury to consider when finalising the regulations for this framework. Where an existing commission is grandfathered and there is a sale of business or transfer of benefit, there does not appear to be a consistent treatment with the FoFA treatment of grandfathered payments. We do not believe this is the intent of the Framework and ask that consistent grandfathering arrangements to FoFA be applied.

We welcome the opportunity to discuss our submission with Treasury. If you would like further information about our submission, please contact me on (02) 9220 4544 or email: ben.marshan@fpa.com.au.

Yours sincerely

Benjamin Marshan
Head of Policy and Government Relations