



FINANCIAL PLANNING  
ASSOCIATION *of* AUSTRALIA

FPA > News > FPA calls for full compensation of CBA clients

[Share](#) | [Share](#) [Share](#)

Recent News [Facebook](#) [Twitter](#)

Wednesday, 2 July 2014

The Financial Planning Association of Australia (FPA) is calling for all impacted clients of the recent Commonwealth Bank of Australia (CBA) advice failure to receive full compensation, saying such a move is imperative if the profession stands a chance of restoring trust among consumers.

Mark Rantall, CEO of the FPA said: "In the past few weeks we have seen unprecedented events unfold before our eyes. We believe the clients impacted by untrustworthy advice need a voice. The FPA stands with those clients and is calling for a clear plan of action from the CBA to fully compensate all clients and ensure we don't see a repeat of these appalling events in the future."

"It is a shame that our professional community is feeling the pain of consumers hurt by a few bad apples. We recognise there are CBA financial planners, some of them FPA members, who do a great job for their clients and try to do the right thing every day. We stand by those members."

As a first step, Mr Rantall said the FPA is putting itself forward as a circuit breaker to the current impasse.

"We will agree to form a joint committee with CBA to commence the process of identifying all clients and establishing fair and reasonable compensation. We're calling for this committee to be chaired by an independent and highly respected individual. The FPA will volunteer senior members of its leadership team to serve on the committee to ensure proper compensation for clients," Mr Rantall said.

According to the FPA, the joint committee will not only serve the interests of impacted clients but it also should put in place the following actions to restore trust and integrity in CBA's advice business:

Fully support the FPA's [10 point plan](#) to restore trust in the financial planning profession.

A full and independent review of CBA's existing professional standards and ethical framework. It should subsequently support the FPA in conducting ethics training for all CBA employed and aligned financial planners.

Support its financial planners' membership of an approved Professional Body. CBA should reimburse the costs of these membership fees for its planners and actively support engagement with the financial planning profession.

Consult with the FPA on its ongoing continuing education program for CBA employed and aligned financial planners.

Fully support the FPA's efforts to put in place a full and comprehensive professional compliance program across the profession.

There has been a great deal of debate about the merits of holding a Royal Commission into CBA and role of ASIC. Further to the above requirements, the FPA is calling for a Summit with a clear and independent charter around the changes needed to restore community trust in financial planning and ensure inappropriate advice outcomes rooted in complex product distribution and conflicted remuneration practices, are stamped out for good.

"We would like to see the summit chaired by an eminent, independent figure. We're calling for all leaders to attend the summit and then sign up to recommendations. We think it's about time the entire industry regulated itself in co-operation with government, regulators and community stakeholders.

"If we can't have a Summit which commands the respect of the public, one with genuine teeth that can truly deliver positive changes, we would fully support calls for a Royal Commission. Our primary focus is the impacted clients of CBA and ensuring we never see something like this again. We need a system where when things go wrong, members of the profession act with speed and complete fairness," Mr Rantall said.

[Download the FPA 10-point plan and White Paper.](#)

#### **FPA welcomes CBA compensation commitment but calls for more**

Thursday, 3 July 2014

The Financial Planning Association of Australia (FPA) welcomes today's unreserved apology and announcement by Commonwealth Bank of Australia (CBA) chief executive, Ian Narev, to appropriately compensate clients of the bank who have...  
[ [read more](#) ]

#### **FPA calls for full compensation of CBA clients**

Wednesday, 2 July 2014

The Financial Planning Association of Australia (FPA) is calling for all impacted clients of the recent Commonwealth Bank of Australia (CBA) advice failure to receive full compensation, saying such a move is...  
[ [read more](#) ]

#### **FPA Professionals Congress 2014 inspires a great sponsor in Platinum**

Tuesday, 1 July 2014

Under the banner of "Inspiring Greatness" the FPA today announced that Platinum Asset Management will anchor the platinum sponsorship of its 2014 Professionals Congress in Adelaide in November. Mark Rantall, CEO of the... [ [read more](#) ]



©2012 Financial Planning Association of Australia Limited

CFP®, CERTIFIED FINANCIAL PLANNER®, and CFP are certification marks owned outside the US by the Financial Planning Standards Board Ltd (FPSB). Financial Planning Association of Australia Limited is the marks licensing authority for the CFP marks in Australia, through agreement with the FPSB.