

**Att: Kate Spargo, Chairperson, APESB**

**Level 7, 600 Bourke St**

**Melbourne VIC 3000**

Friday, 20 August 2010

Dear Kate,

**Re: APES230**

I want to congratulate you and your board on your leadership: the Australian public is better off. Furthermore your decision helps elevate what has long been an industry into its proper place, a profession.

The fact is that impartial advice doesn't exist where remuneration has an incentive structure. Arguments to the contrary are motivated by commercial reasons which ought not be placed ahead of the interests of the public.

The IFAAA insists on a Gold Standard of independence in its members:

1. No ownership links with any product manufacturers.
2. No commissions (these are the province of a salesperson, not an adviser).
3. No asset-based fees (these are simply commissions by another name).

Any opposition to this standard will be short-lived, I promise you. The inescapable fact is that independence in your adviser is not a matter of personal discretion; either conflicts exist or they don't and it is clear that conflicts distort the quality of advice.

I applaud you.

Sincerely,



Daniel Brammall  
**Vice-President,**  
**Independent Financial Advisers Association of Australia Ltd**