

**MEDIA RELEASE**

**New professionalism standards lift the bar on best practice in financial advice**

**Sydney, 27 October 2010:** Centric Wealth has taken the lead in the financial advice industry by releasing its own formalised standards for best practice financial advice. The Centric Wealth Professionalism in Financial Advice Standards aim to aid the delivery of the best wealth advice available and have been formally adopted by Centric Wealth financial planning advisers.

It is a move that has won the support of the FPA, which is already taking a keen interest in the Standards and how they operate in practice. It also represents another tangible expression of Centric Wealth's very public commitment to moving the advice sector toward true professional status.

According to John McMurdo, Chief Executive, Centric Wealth, there is a clear distinction between what the Centric Wealth Standards offer, which is a benchmark and framework for best practice, and the proposed mandated standards arising from the Federal Government's Future of Financial Advice (FoFA) reforms.

"We have always welcomed and supported the FoFA reforms and continue to do so," said McMurdo at a media event announcing the release of the Standards in Sydney today. "However they very clearly represent a much-needed minimum requirement rather than a best practice one which is, in our view, equally important. Centric Wealth believes that Australians should be able to access the best wealth advice available. That is what our Standards seek to encourage."

The Standards encompass the FPA's Code of Professional Conduct and go on to cover areas such as education, ethics and governance. They include requirements for both initial and ongoing education and training, including a mandatory Professional Internship Program; the 'Centric Wealth Promise', a written commitment to meeting defined ethical and service standards signed annually by all advisers; and the institution of a Client Advisory Board.

"There is a significant groundswell of support in our industry to improve the quality of advice, the reputation of planners and to move the industry as a whole toward professional status, in line with that of accountants and lawyers," said McMurdo.

"We actively encourage and support constructive moves by members of our industry to promote improvement in advice standards," said Mark Rantall, CEO of the FPA. "We believe that a concerted move toward a clearly articulated best practice model by industry leaders is what's needed to drive change for the better. I think it's also important to note that, as well as providing greater assurances around the quality of advice, adopting a higher bar also provides greater clarity around two other vital areas: that is, what clients can rightly expect and what advisers can objectively deliver."

Non-Executive Centric Wealth Director Chris Cuffe said "Although professionalism is what our advisers already stand for, I am pleased to be part of our efforts to take it to the next level with the formation of the new Professional Standards and Ethics Committee that includes representation by an independent external expert."

Mr Cuffe went on to stress that Centric Wealth is in a strong position when it comes to the institution of this Standard. This includes the ability to apply it to all clients, both new and existing, another feature that sets it apart from the proposed FoFA reforms.

“It is our firm hope that these Standards will become a clear roadmap to the kind of best practice our whole industry needs. It is a pioneering move and we know it will take time to meet all the requirements of the Standard.

However we believe that this is what’s required to lift the bar and move our profession to the next level and deliver the best financial outcomes for our clients, so this is what we are doing.”

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**For more information, or to arrange an interview with John McMurdo or Chris Cuffe, please contact:**

Michelle Ryan  
BlueChip Communication  
t: 02 9018 8608  
m: 0404 381 886  
[michelle@bluechipcommunication.com.au](mailto:michelle@bluechipcommunication.com.au)

## **ABOUT CENTRIC WEALTH**

[Centric Wealth](#) is Australia’s leading high-end wealth advisory group, focusing on the financial needs of clients in Sydney, Melbourne, Brisbane and Canberra.

Centric Wealth has a network of advisers across financial planning, risk insurance, corporate benefit services, lending services, general insurance and family office services.

The firm also has services in administration, private capital and private investment solutions.

Centric Wealth has \$4.9 billion in assets under advice (AUA). The group advises on \$20 million in-force risk insurance cover, and has \$1.4 billion in loans under advice and other debt instruments.

The group has one of the highest AUA per adviser, but with one of the lowest number of clients per adviser in the Australian financial planning industry.

Centric Wealth was established in 2002, and many of our business and client relationships have been in place for decades. We count a number of industry pioneers and awarded leaders in our ranks.