

## **Submissions to the Second Round of the Financial System Inquiry**

I believe that a person / business practicing as a financial adviser should give a totally transparent statement of their history.

In my case the financial adviser oversaw the loss of about \$450,000 due to poor or inappropriate investment advice during the GFC. In fact, some of the investment advice appear very similar to that given to people now making claims on one of Australia's largest banks. They hide behind the disclaimer of only giving 'advice' This has caused me hardship and had to seek work straight after cancer treatment and in a friend's case a nervous breakdown. A number of workmates had similar losses through poor or inappropriate investment advice. Yet on his current website Home page the adviser has no reference to the two financial services businesses he directed prior to the current financial services company he now runs and on another web site he states that "prior to the establishment of (the business name) worked with many of his existing clients at a leading Australian Stockbroking firm".

I found that after the GFC very few people were willing to 'expose' or make any reference to their experience with poor advisers and financial services providers.

We were initially influenced by the financial adviser to set up a Self Managed Super Fund due to the size of the Voluntary Separation Package I took due to health reasons. After the GFC my wife and I looked for another financial adviser / company and met with many. In every case we asked the question 'would they advise us to cash up our investments if there was a risk to losing a large amount' and not one would give that undertaking. We have since used four different advisers, one of which I believe was contravening the law.

It is still very much a 'lottery' to pick an investment advised / company but it is something that you almost must do to manage your superannuation which ultimately has so much affect on your life.