

## Media Release

## Keeping Cool! - The role of FANs in a complex industry

Australia's top 100 Financial Advisory Networks (FANs) provide support and services to more than 15,000 Authorised Representatives, yet many Australian's remain unaware of the true value added by this important part of the industry.

To help inform industry stakeholders, IFSA has today launched '*An insight into the structure and operation of Financial Advisory Networks*'. The paper provides an overview of how FANs are structured, the benefits they offer advisers and customers and the role they play in raising the standard of professionalism in the industry.

"The development of FANs has come about through necessity, in part as a result of the increased regulatory complexity imposed upon the financial services industry and the increase in product numbers now available to retail investors. However their existence is a real asset to the industry and the customers we serve", said IFSA CEO, Richard Gilbert.

"My time on the Board of the Financial Industry Complaints Service certainly served to convince me of the value of having an organisation that will stand by the consumer if there is a failure somewhere in the advice process," he said.

FANs are critical in providing support for licensees, ensuring that planners are adequately trained and that they maintain that level of competence with ongoing training.

"Often overlooked and of particular value is the special role FAN's play when markets hit difficult periods. Advisory networks can help ensure that investors make informed and rational decisions when turbulence hits or there is a market downturn and people need clear, timely and accurate information to assist them in their decision-making.

"Overall, FANs play a key role in building investor confidence and this paper is a timely contribution and reference point in what has become a rapidly evolving part of the Australian financial services industry", concluded Mr Gilbert.

**A copy of the paper: '*An insight into the structure and operation of Financial Advisory Networks*' is available from the "*Information Area*"/*Publications, Surveys & Reports*" section of the IFSA website: [www.ifsa.com.au](http://www.ifsa.com.au)**

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