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Change of Guards

Our Annual General Meeting this year that was held in July, marks the beginning and end of our Presidential year. Members witnessed the change of office bearers from the previous term (August 2017 to July 2019) to the election of new office bearers and a new term (August 2019 to July 2021). The Association would like to thank Mr. David Choo who has served the AFA(S) diligently as its President during the term. At the same time, we look forward to the leadership of Mr. J. Parasuraman to lead the Association in the new term.

Farewell speech from our President (August 2017 – July 2019)



Word From The Immediate Past President, David Choo

This year marks the 18th year of the AFA(S).

I have, together with a few other veterans in the present executive committee, served in the executive committee continuously and just completed my second two-year term as President. It has been an exhilarating time as we all had to manage and steer our companies through rapid regulatory changes and tough competition against bigger institutions like the banks and the insurance companies' tied agencies while doing our best to helm the Association.

I like to share just a few thoughts and concerns which we all face and would like to encourage all to press on with our cause because it is a good cause we have chosen to champion clients' interest.

1. TRADE ASSOCIATION

We are registered as a trade association of Licensed Financial Advisers. This means that we are to uphold and promote the trade interests of our members. In the early days, all the executive committee members were owners of their business and their chief concerns were to ensure their firms survive, grow and were profitable. Being in a similar industry and working in the same market of just a few million population in Singapore, we faced the tension of competition and cooperation continually. We knew that there were benefits from cooperation such as pooling of resources, where possible, and sharing of ideas but we also knew that we could not avoid competing in recruiting, in selling and in strategies for growth in size and profitability.

Business owners are driven people by nature and have strong beliefs and personalities. Some are more altruistic, some are more self-centred, some are self-effacing while others are more self-opinionated. But facing common challenges and being in the same boat, all of us decided to lay aside our personal differences and worked things out for the common good.

After 18 years of working together, I see that the core group has managed to gel together. I hope the newer members of the executive committee would join hands with the core group to forge an ever stronger executive committee.

I am glad to see a handful of members had spent hundreds of hours to build the Association for the benefit of all. I am sure these members have also benefitted in some ways, but on balance, they have given more than they received. Kudos to them.

As a trade association, we have represented our members to the authorities and built good understanding with them. We have held our annual conference and conducted other educational seminars. We have pooled resources and shared cost for projects like the Financial Adviser Representative (FAR) Agreement, the Representative Professional Indemnity, Know Your Client (KYC) and the current Policy Submission Gateway.

What I think we have not done, or done enough, is to publicise our channel as the preferred channel which champions clients' interest best in terms of providing advice and wide choices of solutions and products. After almost two decades, the majority of Singaporeans still do not know the difference between the different channels and which channel really serves their interest best. Even as we seek to excel in our sales, we are failing to 'sell' our channel.

The obvious reason is that it is not easy to sell any channel and it is very costly. We had an advantage in the early days when independent financial adviser (IFA) was acknowledged as the channel which is best for consumers and the nation (as it is the

most cost-effective and saves on manpower). Today, the authorities are channel agnostic, the media are more driven by advertorials and the public seem to think that convenience is the most important factor.

I am concerned that the online channel which emphasises single product selling and commoditising insurance and investments will lead people away from what they really need – objective advice and cost-effective choice of products.

We should ask how we should make people aware of the value of good advice and solutions and, the benefit of best of class products.

2. REPRESENTATIVE MEMBERS

Having representative members joining our Association was against the grain as the AFA(S) is a trade association. I think the inclusion of representative members widens the Association's objective and reach, but the present committee of CEOs or Senior Management is not suited to take care of representative members' interests. Another committee comprising representatives or staff of companies would be better suited to do this. But there is the ever-lurking danger of representatives joining another firm from working together with other representatives. Movement of representatives can be due to many factors and one should not assume there has been any unfair tactics or deliberate poaching unless proven.

I personally do not think it is ethical for anyone in a firm, or someone engaged or appointed by a firm, to call or invite any representative to visit his firm or attend a presentation. It would be different if the representative takes the initiative. Though often unexpressed, the fear of losing representatives to other firms is the greatest hindrance to the work of the Association. We welcome ideas to solve this perennial problem.

Our industry continues to change and upfront sales fees from investments will continue to dwindle. Technology will be a big game changer. Costs continue to mount especially Compliance and Personal Data Protection Act (PDPA) related costs. But our cause is a worthy one, and worthy of our commitment. All the best to the new executive committee.

18th AGM 2019

AFA(S) 18th Annual General Meeting was held on 11 July 2019 for the term of office from 5 July 2019 to 4 July 2020. Order was called by Honorary Secretary Mr. J. Parasuraman at 1800 hours. It was attended and represented by 24 corporate members who have the opportunity to ask any questions pertaining to the governance of the Association.

The event provides an opportunity for members to hear about what the Association has been doing on your behalf over the past year, and a chance for you to shape the direction of the Association in the year ahead.

As of July, AFA(S) has a total of 1498 representative members and the Association is confident that it will continue to grow.



Welcome speech from our newly Elected President (August 2019 - July 2021)



President: J Parasuraman

I am truly honoured to work with the exceptionally talented executive committee members and with all of you who value your role in the Licenced Financial Advisory profession. Members of our executive committee are represented by CEOs and Senior Management of Licensed Financial Advisers (LFA). Collectively, they have more than 200 years of experience in our industry and some of them have been in the committee for more than 15 years. I will work hard to enhance and promote our profession and to meet your expectations.

The LFA channel contributed more than 22 percent of new sales of life insurance in the first half of 2019. Singapore's life insurance industry recorded a total of S\$1.97 billion in weighted new business premiums for the first half of 2019 (as per LIA report dated 6th August 2019). I truly believe we are the only channel that is dedicated to providing unbiased advice to consumers.

As our accomplishments grow, we are proud to have membership from 35 corporate members and over 1500 representative members. We are confident more LFAs and representatives will join our esteemed organisation to show unity in our distribution channel. I am always reminded of the famous quote by John F Kennedy, "Ask not what your country can do for you, but what you can do for your country." We invite everyone in our LFA fraternity to come forward with your feedback and suggestion to make us better.

Over the next two years, your AFAS executive committee will work to respond to the ever-changing needs of the field. We will stay focused on our vision and mission statements:

- Care and concern for clients' interest
- Professional, competent, progressive
- Championing independence, entrepreneurship and advisory
- Fraternity, collaboration
- Making FA model the choice of informed clients
- To represent the interest of licensed financial advisers in Singapore
- To communicate the distinctiveness and clear advantages of FA channel and make it the choice of informed clients
- To contribute leadership to and facilitate the growth and professionalism of the financial advisory firms and representatives in Singapore

We will enhance networking opportunities, strategic solutions, and continue to expand our member services. We will continue to advocate for our profession on regulatory affairs, increase our visibility in the community, and incorporate breakout sessions and panel discussions in our meetings. We will continue to recognise our members who have contributed to AFA(S) through our appreciation events and other resources that enhance AFA(S) benefit to our members.

I would appreciate hearing from you and encourage you to reach out to me at president@afas.org.sg or speaking with me at one of our regularly scheduled programme meetings.

J. Parasuraman
President
Association of Financial Advisers (Singapore)

18th Annual Conference 2019



Without fail, AFA(S) hosted its 2-day annual conference led by our incumbent Conference Chairman, Mr. Raymond Ng. The Annual Conference 2019 was held at Grand Copthorne Waterfront Hotel on 11 and 12 July 2019. To ensure that our members are future ready, the theme **“Back to the Future”** was extremely appropriate. Hence, the conference was well attended, with more than 320 representative members were present.

As with AFA(S) protocol, Mr. David Choo, delivered his opening speech, acknowledging yet another year of success of a well organised AFA(S) Conference. More information of his speech can be found in our events updates on the website.

Our guest of honour for the year was Ms Merlyn Ee, Executive Director, Capital Markets Intermediary from the Monetary Authority of Singapore. She also delivered her guest of honour speech to the conference participants.

AFA(S) was blessed with generous sponsorship for the conference. The main sponsor was AXA Insurance Pte Ltd. Platinum sponsors were AIA Singapore Pte Ltd and Aviva Ltd. Premium sponsor was Great American Insurance Company and classic sponsors China Taiping Insurance (Singapore) Pte Ltd, Friends Provident International Limited (Singapore Branch), iFast Financial Pte Ltd, NTUC Income Insurance Co-operative Limited, Manulife (Singapore) Limited and Tokio Marine Life Insurance. Star sponsors were Canaccord Genuity Wealth Management and Life Insurance Corporation (Singapore) Pte Ltd.

This year, the conference opening ceremony was extremely meaningful. The ceremony focused on a charity fund raising event for The Straits Times School Pocket Money Fund. AFA(S) raised \$30,000 for The Straits Times School Pocket Money Fund to help needy students. This included \$10,000 donated by the Association. Mr. David Choo presented The Straits Times School Pocket Money Fund with a \$30,000 cheque to Ms Merlyn Ee and Ms Tan Bee Heong, general manager of The Straits Times School Pocket Money Fund. A memorable event indeed, well done AFA(S)!



Our panel speakers for this year were mainly local practitioners who unselfishly shared their knowledge on the fast changing industry such as using AI to sell financial products. Block chain and fintech were included in the breakout workshops for those who wish to know more. Of course, not forgetting our foreign speakers who generously shared their expertise and knowledge with the participants.

Lastly, AFA(S) would like to thank the conference organising committee 2019 for organising a successful and enriching conference for all participants.

Some photos extracted from the Conference



GOH & VIPs



PARTICIPANTS



REGISTRATION DESK



LISTEN TO THE VENDORS



EXECUTIVE COUNCIL



KEYNOTE SPEAKER: SANJAY TOLANI



PRETTY BOUQUET FOR GOH



SHARING TIME

More photos for you....



WORKSHOP SPEAKER



ON FAMILY SERVICES



PARTICIPANTS



PRESIDENT, CHAIRMAN, VIP & SPEAKER



OUR DOCTOR SPEAKER



OUR VERY OWN BEN FOK



LISTENING ATTENTIVELY



OUR BOOTH VENDOR

AFA(S) Training

Continuous training is always on the mind of our Education Chairman Mr. Mohd Amin. The compulsory training for the Ethics, Rules and Regulations workshop has been running for the past three years. The previous training was conducted in April 2019 and was well received by our members. Further, there is a Leadership Training course that our members can attend - for those who wish to train to be leaders in the industry. Please look out for the next available training course.

Industry Meetings with Monetary Authority of Singapore (MAS)

AFA(S) continues to be the voice for the financial advisory industry. Hence, in May 2019, it organised a meeting with the MAS. It was attended by 24 Corporate Members with several members asking the MAS on regulatory issues.

Finally, as always, if you have any feedback please do not hesitate to contact our Manager Ms Angie Lim at her email address: secretariat@afas.org.sg

Dr. Ben Fok
Public Relations
Association of Financial Advisers (Singapore)