

Article:	ASIC Teams with Industry on Reference-Checking Initiative for Financial Advisors
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Chairman of ASIC, Mr Tony D'Aloisio and the Chief Executive Officer of Standards Australia, Mr John Tucker, today jointly launched a new handbook, [Reference Checking in the Financial Services Industry](#), which provides employers with a reference-checking framework that can be applied to financial advisers.

The handbook, developed jointly by ASIC in close consultation with a panel of industry representatives and with assistance from Standards Australia, is designed to encourage industry to seek and, when requested, provide reference-checking information to help identify dishonest, incompetent or unethical financial advisers.

ASIC's 'Bad Apples' project aims to disrupt the movement within the industry of financial advisers with dubious employment records who, in some instances, have been able to resign from one position and move to a similar position in another firm that is unaware of their history. The release of the handbook for the financial services industry coincides with Standards Australia's release of another handbook applicable to employers more generally.

'We have seen that the reputation of any firm can be painstakingly built over a number of years but seriously damaged overnight by an irresponsible adviser', Mr D'Aloisio said.

'As the saying goes, 'one bad apple can ruin the whole barrel', which is why, together with industry, ASIC is encouraging all employers to share this type of information so that dubious or dishonest conduct does not go undetected and so that we maintain consumer confidence in the financial services industry.

'We have been careful to design the guide to encourage sharing of information between affected parties consistent, of course, with applicable laws including the National Privacy Principles', Mr D'Aloisio said.

ASIC's website has recently been updated to allow for pre-FSR searches. It also now incorporates a new link to 'reference checking' and links to professional industry associations, Standards Australia and other relevant websites.
