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## **INDUSTRY WELCOMES SECURITIES COMMISSION FINDINGS**

“The Investment Savings and Insurance Association (“ISI”) welcomes the release of the findings of the Securities Commission inquiry into the practices of fund managers”, said Vance Arkinstall, Chief Executive, Investment Savings and Insurance Association.

“The questionable practices of fund managers uncovered in the USA in late 2003 were serious and cast a cloud over the global industry. The investigation in NZ by the Securities Commission was an important step in the process to remove investor doubt which may exist in this country. We are pleased that the findings of the Commission confirm our belief that the unacceptable practices in the US have not been repeated in NZ. It will provide great comfort to NZ investors that this independent inquiry has been completed and provides a clear report in respect of NZ industry practices”, said Mr Arkinstall.

“The findings of the NZ Securities Commission are consistent with the results of a similar inquiry conducted by ASIC in Australia. ASIC also provided a clean report (August 2004) in Australia”, Mr Arkinstall noted.

“Increasing personal savings and investment are key issues for many New Zealanders. The release of the Securities Commission findings will provide added confidence for investors in the governance of managed funds (superannuation and unit trusts) in NZ. The outcomes of the Task Force on financial advisers later this year and the prospect of a budget announcement by Government on improvements for taxation of these investments will provide further opportunities for increased investor confidence”, said Mr Arkinstall.

“The findings from this inquiry will be a comfort to current and future investors in the investment and savings industry”, said Mr Arkinstall.

For further information contact:  
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