



LINK ADVICE

**1 January 2019 to 31 December 2019
Continuing Professional Development
(CPD) FASEA
Annual Training Plan**

PRIVILEGED AND CONFIDENTIAL

**ABN 36 105 811 836
AFSL Licence no: 258145**

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SCOPE

This policy applies to Link Advice Pty Ltd ABN 36 105 811 836 / AFSL 259145 in compliance with *Corporations (Relevant Providers Continuing Professional Development Standard) Determination 2018*. Specifically, it applies to all Relevant Providers (Authorised Representatives), Management and those employees who are responsible for supervising, monitoring and preparing advice documents for the Authorised Representatives by the stated licensee.

PURPOSE

Continuing Professional Development (CPD) is an essential component of being a professional and embeds a culture of lifelong learning. This policy embeds a CPD framework and outlines the CPD requirements under *Corporations Amendment (Professional Standards of Financial Advisers) Act 2017 (Cth)* and *Corporations (Relevant Providers Continuing Professional Development Standard) Determination 2018*, which requires all individuals identified as 'relevant providers' to meet the requirements for CPD set by the Financial Adviser Standards and Ethics Authority Limited (FASEA).

This document outlines the overarching CPD policy and provides a summary of the relevant provider requirements.

This CPD policy embeds the following principles:

- CPD maintains currency of technical knowledge;
- CPD enhances and extends knowledge and skills;
- CPD involves critical reflection and development;
- CPD is relevant and flexible; and
- CPD is integral to ethical and professional practice.

DEFINITIONS

Act: Corporations Amendment (Professional Standards of Financial Advisers) Act 2017

CPD Year: The 12-month period beginning on the day of the year included in the most recent notice given by the licensee under section 922HA of the Act.

Relevant Provider: a person is a **relevant provider** if the person:

- (a) is an individual; and
- (b) is:
 - (i) a financial services licensee; or
 - (ii) an authorised representative of a financial services licensee; or
 - (iii) an employee or director of a financial services licensee; or
 - (iv) an employee or director of a related body corporate of a financial services licensee; and
- (c) is authorised to provide personal advice to retail clients, as the licensee or on behalf of the licensee, in relation to relevant financial products.

Provisional Relevant Provider: a relevant provider who is undertaking work and training in accordance with subsection 921B(4) of the Act.

Formal Relevant Education - includes any of the following:

- (a) a degree or equivalent qualification approved under the *Corporations (Relevant Providers Degrees, Qualifications and Courses Standard) Determination 2018*;
- (b) a course determined in a legislative instrument under paragraph 1546B(1)(b) of the Act;
- (c) education or training provided or approved by a professional association; and
- (d) formal education or training study towards qualifications or designations relevant to practice as a relevant provider.

Professional or Technical Reading: reading of relevant magazines, academic readings or journal articles that is unstructured and does not contain an assessment.

The Tax Practitioners Board (TPB): is a national body responsible for the registration and regulation of tax agents, BAS agents and tax (financial) advisers (collectively referred to as 'tax practitioners'). The TPB is also responsible for ensuring compliance with the Tax Agent Services Act 2009 (TASA), including the Code of Professional Conduct (Code).

Tax Agent Services Act 2009 (TASA): regulates the personal and professional conduct of registered tax (financial) advisers, and includes obligations relating to maintaining knowledge and skills and taking reasonable care. TASA imposes a mandatory obligation on all registered tax (financial) advisers to have completed CPE that meets the TPB's same as FASEA CPD.

Tax Agent Services Act 2009 (TASA) CPE Policy: you must complete a minimum of 60 hours of CPE within a standard three-year registration period, with a minimum of seven hours each year. For the purposes of TPB allocation within Link Advice FASEA annual CPD, a minimum of 20 CPD points will be allocated within the training plan each year.

CPD YEAR

Link Advice Pty Ltd ABN 36 105 811 836 / AFSL 259145, the CPD Year is 1 January 2019 to 31 December 2019 as per the most recent notice provided to ASIC under *section 922HA of the Corporations Act 2001*.

Traditionally Link Advice's annual CPD training plan is set for the financial year; that is from 1 July to 30 June each year. Due to a change in the Act under subsection 1546E(5), Link Advice are now changing the training period to 1 January to 31 December each year.

CPD OBLIGATIONS OF RELEVANT PROVIDERS

Total Minimum Target: 40 hours of 'qualifying CPD' per CPD year.

Qualifying CPD activities must include a minimum in the following areas:

CPD Area	Minimum requirement
Technical Competence	5 hours
Client Care and Practice	5 hours
Regulatory Compliance and Consumer Protection	5 hours
Professionalism and Ethics	9 hours
General	0 hours
Superannuation	3 hours
Retirement Income Streams	1 hour
Social Security & Aged Care	1 hour
Life Insurance	3 hours
TASA CPD*	20 Hours
Total Minimum Requirement	40 Hours

*Mandatory TASA Training of 20 points must also be achieved. The TASA points are incorporated in the 40-point CPD allocation.

CPD OBLIGATIONS OF PART TIME RELEVANT PROVIDERS

For reduced CPD requirements to apply, the relevant provider must be working part-time for the whole of the CPD year and must obtain prior written consent from the licensee.

Total Minimum Target: 36 hours of 'qualifying CPD' per CPD year.

Qualifying CPD activities must include a minimum in the following areas:

CPD Area	Minimum requirement
Technical Competence	5 hours
Client Care and Practice	5 hours
Regulatory Compliance and Consumer Protection	5 hours
Professionalism and Ethics	9 hours
General	0 hours
Superannuation	3 hours
Retirement Income Streams	1 hour
Social Security & Aged Care	1 hour
Life Insurance	3 hours
TASA CPD*	20 Hours
Total Minimum Requirement	36 Hours

*Mandatory TASA Training of 20 points must also be achieved. The TASA points are incorporated in the 40-point CPD allocation.

CPD AREAS

A CPD activity must relate to one of the following CPD areas:

Item	CPD area	Definition
1.	Technical Competence	The activity is designed to enhance participants' technical proficiency and ability to develop and provide advice strategies that are appropriate to the objectives, financial situations and needs of different classes of retail clients.
2.	Client Care and Practice	The activity is designed to enhance participants' ability to act as a client-centric practitioner in advising retail clients.
3.	Regulatory Compliance and Consumer Protection	The activity is designed to enhance participants' understanding of applicable legal obligations and how to comply with them.
4.	Professionalism and Ethics	The activity is designed to enhance participants' capacity to act as an ethical professional.
5.	General	The activity is designed to maintain and extend participants' professional capabilities, knowledge and skills, including keeping up to date with regulatory, technical and other relevant developments, but is not in an area referred to in another item of this table.

MAXIMUM RESTRICTIONS

In any CPD year, no more than the specified hours in each activity below may be counted as follows:

- 30 hours of formal relevant education
- 4 hours of professional or technical reading

ASSESSMENT AND APPROVAL OF CPD PLANS

The Training Program outlines the annual training requirements for all representatives operating under the Link Advice Australian Financial Services Licence (AFSL). This program is to ensure that Link Advice meets and complies with its regulatory obligations and to ensure that all Authorised Representatives continue to act in accordance with the best interest principles.

There are a number of layers to the licensee's overall approach to its CPD obligations and the CPD obligations of relevant providers (Authorised Representatives) for whom it is responsible licensee of:

1. As a responsible licensee, of a relevant provider (Authorised Representative) who must comply with its regulatory obligations and develop, adopt and implement a CPD policy which may amend at any time.
2. The CPD policy is to be written using the FASEA CPD standard as guidelines and incorporate the Tax Agent Services Act (TASA) CPD requirements.
3. The CPD plan is approved by Link Advice Compliance Manager.
4. Policy implementation consists of:
 - i. Setup training plan in Kaplan ontrack for each relevant provider (Authorised Representative);
 - ii. Notify each relevant provider (Authorised Representative) by email that training plan is now available;
 - iii. Notification each month of the CPD articles available for completion within Kaplan;
 - iv. How the licensee will assess and approve CPD activities and attribute hours to them;
 - v. How the relevant provider can access and add assessed CPD activities to their Kaplan account.
5. Career breaks - where a relevant provider has not been practising or authorised as a relevant provider for a continuous period of 2 years or more, the licensee must assess and approve CPD plans for these relevant providers.
6. Provisional Relevant Providers - who are completing their Professional Year are not required to meet CPD requirements in the first CPD year as a relevant provider. The CPD requirements will be pro-rated for the period between the completion of the professional year and the CPD year.
7. Monitoring in conjunction with relevant provider Advice Team Manager who has Kaplan supervisor access; Link Advice Education, Risk and Compliance Coordinator and the Link Advice Compliance Manager monitors, reports and provides feedback as each compliance audit is conducted with the Authorised Representative. The Link Advice Risk and Compliance Committee will also monitor the relevant provider (Authorised Representative) through the quarterly meetings held.
8. Link Advice prepares a quarterly Compliance Status and Service Standard Report for the client Board of Directors, which outlines the CPD and TASA progress of each individual Authorised Representative, demonstrating how each representative is tracking with their training program.
9. Record and maintain evidence of CPD completion, the outcomes of and qualifying CPD activities. A record must be kept for at least 7 years after the date it was made.
10. Monitoring and updating the Financial Advisers Register where the relevant provider has not met their CPD requirements.

APPROVAL OF QUALIFYING CPD ACTIVITIES

CPD activities undertaken by relevant providers must be assessed and approved by the licensee.

FASEA requires the licensee to grant at least 70% of the minimum number of CPD hours (40 hours) spent by relevant providers (Authorised Representatives) (which is 28 hours) must be spent on qualifying CPD activities approved by the responsible licensee.

CPD and TASA training will be provided via Kaplan online training. It is expected that each relevant provider (Authorised Representative) will complete a minimum of 25% of the 40-point allocation, (that is 10 points per quarter) by the end of each quarter.

The licensee considers the following to be an approved as a CPD qualifying CPD activities:

Activity	Approval process
Kaplan Professional Ontrack content	Automatically approved
Kaplan Professional higher education	Automatically approved to a maximum of 30 hours per

subjects	subject
a degree or equivalent qualification approved under the <i>Corporations (Relevant Providers Degrees, Qualifications and Courses Standard) Determination 2018</i>	Automatically approved to a maximum of 30 hours per subject
Professional or Technical Reading	Automatically approved to a maximum of 4 hours of an activity
Other types of approved training (must have a CPD certificate issued by a provider that has an assessor ID stated)	<ul style="list-style-type: none"> • Link Advice Annual Conference; • Link Advice Technical Updates; • Professional Development Days; • Economic updates; • Specific financial products seminars; • Webinar presentations; • Approved Products Training; and • Compliance Training that has been assessed with CPD points allocated.

All external certificates containing CPD hours are to be emailed to Education, Risk and Compliance Coordinator for final approval and uploaded to the relevant providers Kaplan Ontrack CPD account.

ASSESSMENT OF QUALIFYING CPD ACTIVITIES

A CPD activity must meet and provide evidence of the following requirements to be approved as a “qualifying CPD activity”:

- Clearly defined aims and learning outcomes;
- Clearly defined, logical structure that follows adult learning principles;
- Is current, accurate and up-to-date;
- Relates to one of the FASEA CPD areas;
- Is the appropriate learning level and has appropriate technical or practical content;
- Deals primarily with matters related to the provision of financial product advice, financial advice services and financial advice business;
- Is led or conducted by one or more persons with appropriate expertise, academic qualifications and practical experience;
- Enhances advisers’ knowledge and skills, and/or contributes to the maintenance of knowledge and skills in areas relevant to the provision of financial product advice and financial advice services;
- Includes one or more of the following: workshop, face-face presentation, multimedia, worked examples, activities, case studies, tips, warnings, and if appropriate, reference to relevant legislation;
- Preference is given to activities with a structured assessment component. Evidence of the successful completion of the assessment is required

EVIDENCE REQUIREMENTS

For approval to be granted for a ‘qualifying CPD activity’ the following evidence is required:

Proof of attendance/completion (e.g. certificate, digital record, transcript), which includes as a minimum:

- The name of the activity and the provider;
- The date the activity was undertaken;
- An overview of the activity;
- A bio or CV of person(s) who developed or presented the activity, including academic qualifications and experience;
- The CPD area to which it relates;
- The duration in minutes/hours of the activity; and
- The letterhead and/or signature of the provider or an appropriate authorised person.

Link Advice Pty Ltd will approve at a minimum as many activities as will enable a relevant provider to comply with their CPD requirements. However, Link Advice Pty Ltd will not approve an activity unless the activity meets the qualifying CPD activity requirements and evidence requirements set out in this policy.

ALLOCATION OF HOURS

CPD hours will be assessed and allocated on the estimated time taken to complete all content components (including video and/or multimedia) **plus** the completion of the assessment, on the basis of a 'reasonable person', with the appropriate knowledge.

RECORD KEEPING

The Kaplan Professional Ontrack platform will be used to record the completion of CPD activities. CPD plans will specify each relevant provider's:

- individual overall CPD target;
- minimum requirements in each CPD area; and
- any other specific requirements that must be met
- The platform will monitor individual progress and provide reporting.

For CPD activities undertaken and completed outside the Ontrack platform, each individual relevant provider is required to upload details into Ontrack and submit evidence for assessment and approval to Link Advice Education, Risk and Compliance Coordinator for final approval.

It is the relevant provider's responsibility to maintain complete and accurate records within Ontrack.

CAREER BREAKS

If a relevant provider has not been practicing or authorised as a relevant provider for a continuous period of 2 years or more, then they must comply with the following career break requirements.

Link Advice Pty Ltd must approve the relevant providers CPD plan for the first CPD year prior to resuming practice. Their first CPD plan may require additional CPD hours be completed to ensure Link Advice Pty Ltd is satisfied that it is appropriate to address gaps in the relevant provider's competence, knowledge and skills arising from the relevant provider's absence from practice.

EXTENUATING CIRCUMSTANCES

For those that affected by illness, medical conditions, disability or parental leave, Link Advice Compliance Manager will discuss and assess each individual's circumstance. As a result of this assessment an individual approved CPD plan may be provided for these relevant providers.

PROVISIONAL RELEVANT PROVIDERS

Provisional Relevant Providers who are completing their Professional Year are not required to meet CPD requirements.

In the first CPD year as a Relevant Provider, CPD requirements will be pro-rated for the period between the completion of the professional year and the CPD year.

EXISTING RELEVANT PROVIDERS NEW TO LINK ADVICE PTY LTD AFSL 258145

Each new Relevant Provider to Link Advice are subject to Link Advice pre-employment screening process which is based upon the applicant's documentation, including the assessment of all CPD training that the Relevant Providers has undertaken both in previous and current roles. The compliance screening and the new Authorised Representative checklist requirements are to ensure that Link Advice AFSL requirements are met in relation to the Corporations ACT 2001 (Section 912A). The relevant providers existing CPD will be taken into consideration and where deemed suitable it will be integrated (if not already) into the existing Link Advice FASEA CPD training year.

MONITORING

Monitoring of the completion of CPD requirements by each Relevant Provider will be undertaken using the reporting functionality of Ontrack on a quarterly basis, with articles issued monthly.

The key compliance personnel, the Compliance Manager, Quality Assurance & Compliance Officer and the Client Education Risk and Compliance Coordinator ensure that all Link Advice licensee obligations are met. In conjunction with your Team Manager; the Compliance Manager regularly monitors, reports and provides feedback as each compliance audit is conducted with the Relevant Provider and your manager. A summary will be included in these audit reports which will include recommendations and/or actions the Relevant Provider must implement in a specified time.

Relevant Providers are regularly monitored, and the results are reported quarterly to the Link Advice Risk and Compliance Committee and also the Link Advice Board. Link Advice prepares a quarterly Compliance Status and Service Standard Report for the client Board of Directors, which outlines the CPD and TASA progress of each individual representative, demonstrating how each representative is tracking with their training program.

Link Advice annual CPD training plan is implemented to all Relevant Providers (Authorised Representatives) at the start of each calendar year. These plans are monitored quarterly and upon compliance audit; and where it is identified either by their direct manager or our Compliance Manager that the Relevant Provider requires further development; then an additional plan is set at that time and this is monitored until the provider is released from the additional plan. It is considered that the Annual CPD plan applies to each Relevant Provider at all times and must be completed within the required time frame.

NON-COMPLIANCE

A relevant provider *must* comply with the CPD obligations specified in this policy. Failure to meet the specified requirements requires the licensee to notify ASIC of the relevant providers non-compliance with the continuing professional development standard (922HB, Corporations Amendment (Professional Standards of Financial Advisers) Act 2017).

922HB *Obligation to notify ASIC of non-compliance with continuing professional development standard:*

- (1) A notice must be lodged under this section, in accordance with section 922L, in relation to a person if, at the end of a financial services licensee's CPD year:
 - (a) the person:
 - (i) is the licensee; or
 - (ii) is authorised to provide personal advice to retail clients, on behalf of the licensee, in relation to relevant financial products; and
 - (b) the person is a relevant provider; and
 - (c) the relevant provider has not complied with section 921D during the licensee's CPD year.

Note 1: A financial services licensee may obtain information from a relevant provider under section 922N for the purposes of determining whether to lodge a notice under this section.

Note 2: Subsection 921D(1) requires certain relevant providers to meet the continuing professional development standard in subsection 921B(5).

- (2) The notice must state that the relevant provider has not complied with section 921D during the licensee's CPD year.

Corporations Amendment - (Professional Standards of Financial Advisers) Act 2017

RELEVANT PROVIDERS NOT MEETING THE CPD AND TASA REQUIREMENT (NON-COMPLIANCE)

Where a Relevant Providers fails to complete their required CPD and TASA training annually by the 31 December in the calendar year, their authorisation will be reviewed, and remedial action will be taken.

Link Advice will engage with the Relevant Providers and their Manager to determine why the training plan was not met. We will then work with the Relevant Providers to ensure that the number of missing CPD and TASA points and / or knowledge area targets for the calendar year are included as an additional training the next year's Annual Training Plan.

A remediation, supervising and monitoring plan will be implemented, with the Relevant Providers required to complete all CPD and TASA training within the required monthly timeframe. Both the Manager and Link Advice will review the Relevant Providers progress and once satisfied the Adviser will return to the main stream of completing their CPD and TASA training.

Where the Relevant Providers has not demonstrated that remediation plan has been met then and their authorisation may be revoked. The Financial Advisers Register (FAR) - Where the relevant provider has not met their CPD requirements, their Authorised Representative ASIC registration number will be updated online to reflect that they have not met the CPD requirements.