

CPD POLICY

1. OVERVIEW

Private Wealth Advisory Pty Ltd (PWA) has an obligation to ensure that all representatives are adequately trained, and are competent, to provide those financial services: section 912A(1)(f) of the Corporations Act 2001.

Additionally, PWA has an obligation to ensure that all Relevant Providers meet the requirements for continuing professional development (**CPD**) set by the Financial Adviser Standards and Ethics Authority Limited (**FASEA**): section 921B(5) of the Corporations Act 2001. The mandatory CPD requirements are outlined in the Corporations (Relevant Providers Continuing Professional Development Standard) Determination 2018. This CPD Policy addresses PWA's policy on training of its Relevant Providers.

A relevant provider (**Relevant Provider**) is an individual authorised to provide personal advice to retail clients in relevant financial products. Relevant financial products are all financial products except basic deposit products, general insurance products, consumer credit insurance or a combination of any of these products.

2. POLICY STATEMENT

PWA ensures that all Relevant Providers are competent in their roles. A Relevant Provider's qualifications are initially assessed as part of the Recruitment Policy. Refer to PWA's Recruitment Policy for further details.

PWA's CPD year is between 1 July and 30 June (**CPD Year**). Each Relevant Provider is required to have a CPD Plan that complies with the FASEA standards prior to the start of each CPD Year. A copy of the CPD Plan is to be provided to PWA. PWA is responsible for ensuring that each Relevant Provider complies with the CPD Plan.

PWA will assess and approve at least 70% of all CPD activities undertaken by Relevant Providers. The procedure for the approval process is included below.

Relevant Providers who are members of industry associations are required to meet the associated training requirements for those industry associations and to maintain appropriate records.

A Relevant Providers who is also a registered tax (financial) adviser must also obtain a minimum of 60 hours of CPD over a 3 year period, generally in line with the relevant provider's registration period with the Tax Practitioners Board (**TPB**). The TPB considers that at least 7 hours of relevant CPD should be completed in any given year.

Non-Advice Providers are provided with on-the-job training but will not be required to have a formal training plan. Where there is a gap in skills or knowledge of the non-Advice Provider, further training will be provided either internally or externally.

3. COMMITMENT

Sonny Rahim is responsible for monitoring a Relevant Provider's CPD and ensure that non-Advice Providers are competent in their roles. This CPD Policy will be reviewed annually.

CPD PROCEDURE

1. PURPOSE

The purpose of this procedure is to ensure that all representatives are adequately trained, and are competent, to provide those financial services: section 912A(1)(f) of the Corporations Act 2001. This procedure is also to ensure all Relevant Providers meet the CPD requirements: section 921B(5) of the Corporations Act 2001 and Corporations (Relevant Providers Continuing Professional Development Standard) Determination 2018.

2. RESOURCES REQUIRED

1. CPD Plan on Kaplan
1. Training Register on Kaplan

3. PROCEDURE FOR CREATING AND REVIEWING CPD PLAN FOR RELEVANT PROVIDERS

1. Before the start of each CPD Year, each Relevant Provider must prepare a CPD Plan and provide a copy to PWA. If the Relevant Provider is engaged by PWA after the start of the CPD Year, the new Relevant Provider will prepare a CPD Plan no later than 3 months from the date of appointment as a Relevant Provider.
2. The CPD Plan must:
 - a. identify areas for improvement in, and development and extension of, the Relevant Provider's competence, knowledge and skills; and
 - b. describe the qualifying CPD activities the Relevant Provider will complete during the CPD Year to achieve those improvements.
3. As at the time of writing this CPD Policy, each Relevant Provider must complete a minimum of 40 hours of qualifying CPD per CPD Year. The qualifying CPD activities must address the following:
 - a. technical competence – a minimum of 5 hours;
 - b. client care and practice – a minimum of 5 hours;
 - c. regulatory compliance and consumer protection – a minimum of 5 hours;
 - d. professionalism and ethics – a minimum of 9 hours; and
 - e. general – no set minimum.

FASEA may amend its minimum requirements from time to time. Where there are inconsistencies between this CPD Policy and the FASEA requirements, the FASEA requirements prevail.

4. A part-time Relevant Provider may seek written approval from PWA for reduced CPD requirements to apply. A part-time Relevant Provider is still required to complete at least 36 hours per CPD Year.
5. The maximum hours that each Relevant Provider can count towards their ongoing training per CPD Year is:
 - a. no more than 30 hours of formal relevant education; and
 - b. no more than 4 hours of professional or technical reading.
6. At least 70% of the training completed by the Relevant Provider must be approved by PWA. A list of qualifying CPD activities approved by PWA is included in Appendix A.
7. All training completed on Kaplan Ontrack will automatically be recorded on the Kaplan Training Register.
8. The Relevant Provider must upload all training completed outside of Kaplan Ontrack on to the Kaplan Training Register and submit evidence for assessment and approval to Sonny Rahim.
9. The Relevant Provider is responsible for maintaining copies of all training records and to provide copies of all training records to PWA quarterly or upon request by PWA.
10. At the end of each quarter, Sonny Rahim will review the Relevant Provider's training register to determine if the Relevant Provider is on track to meeting training requirements.
11. Where the Relevant Provider is short on hours, a reminder email may be sent by Sonny Rahim, followed by a formal warning. Where the Relevant Provider fails to comply with Sonny Rahim's instructions, the Relevant Provider may face suspension or termination of authorisations.
12. At the end of each CPD Year, the Relevant Provider's training register is to be reviewed to ensure that the requirements in the CPD Plan have been met. If training requirements have not been met, ASIC must be notified.

4. PROCEDURE FOR APPROVING CPD ACTIVITIES

1. PWA must approve at least 28 hours (i.e. 70% of a full-time Relevant Provider's training requirement) of CPD activities for completion by each Relevant Provider.
2. PWA will only approve CPD activities that satisfies the definition of a 'qualifying CPD activity'.
3. PWA will be guided by the relevant training provider on the maximum number of hours that can be counted for each qualifying CPD activity.
4. PWA will complete the form on Appendix B: Checklist for Approving CPD Activities to document its approval process.

5. PROCEDURE FOR ASSESSING RELEVANT PROVIDER RETURNING FROM CAREER BREAKS

1. This section only applies to a Relevant Provider who has not practiced for a continuous period of 2 years or more.
2. PWA must approve the Relevant Provider's CPD plan for the first CPD year before the Relevant Provider provides advice to retail clients.
3. PWA will only approve the Relevant Provider's CPD plan if PWA is satisfied that the CPD plan is appropriate to address gaps in the Relevant Provider's competence, knowledge and skills arising from the Relevant Provider's absence from practice.

6. PROCEDURE FOR TRAINING NON-ADVICE PROVIDERS

1. Non-Advice Providers are provided with on-the-job training. Where gaps are identified, the relevant manager and the non-Advice Provider will select appropriate training to address the gaps and weaknesses.
2. Where non-Advice Providers attend external courses and seminars, it is the responsibility of the non-Advice Providers to maintain training records.