



Avana

Financial Solutions

CONTINUING PROFESSIONAL DEVELOPMENT (CPD) POLICY



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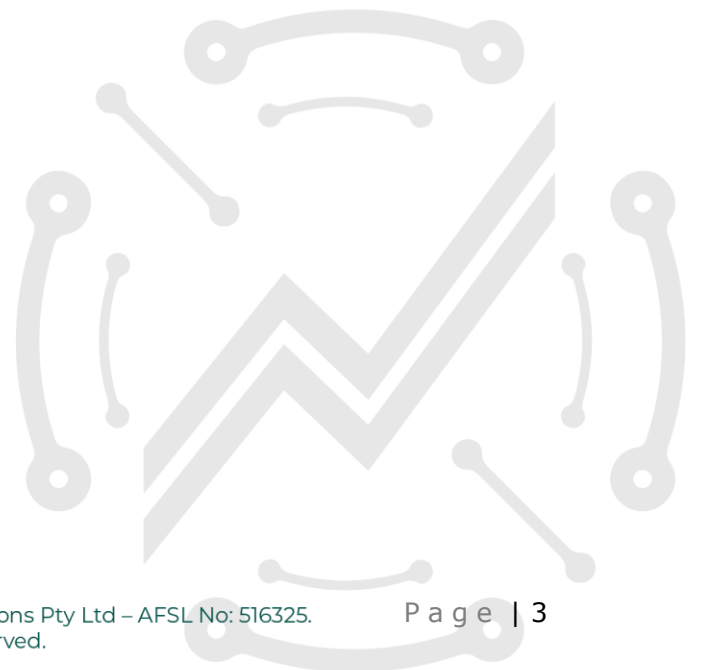
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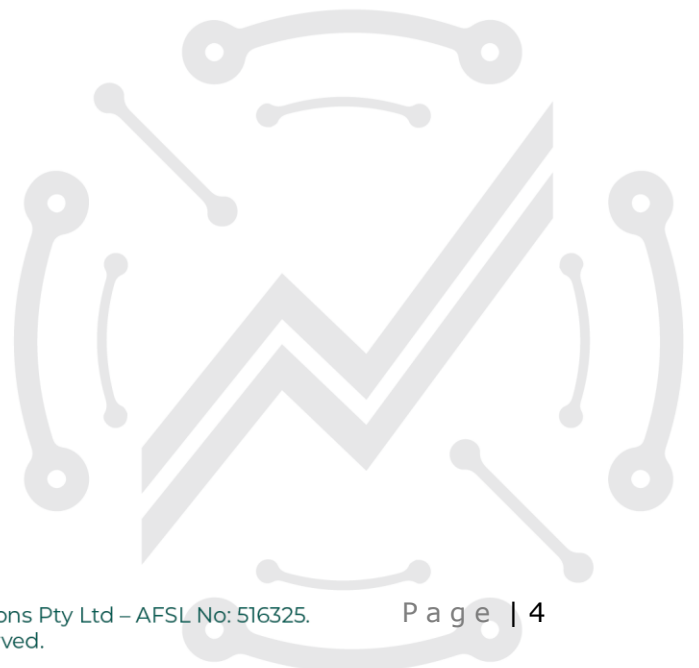
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1.0 VERSION CONTROL

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Issue Date	30 April 2020
Owner/s	Managing Director
	Compliance Manager

Version	Effective Date	Summary of Changes
1.0	30/04/2020	Policy Approval





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2.0 OVERVIEW

As holder of an Australian Financial Services (AFS) Licence Avana is committed to an open and transparent culture of corporate compliance.

Avana means Avana Financial Solutions Pty Ltd (AFSL 516325) and will be known hereon as the Licensee.

The purpose of Continuing Professional Development (CPD) policy is to provide the Licensee and its representatives with a clear understanding of the skill-sets, competencies, educational qualifications, and obligations required of Representatives to meet the requirements of this policy and so qualify to provide advice to clients, consistent with its AFSL obligations. This policy also sets forth the Licensee's commitment to training in support of its Representatives.

A key objective of this policy is to ensure that our Planners are positioned at all times to provide the best quality and most appropriate advice to their customers.

This policy is applicable to all representatives and covers:

- The Licensee's training framework
- Required skills and competencies for representatives
- Initial training and accreditation requirements for representatives
- Ongoing training and education requirements for representatives
- Processes for maintenance and review of this policy

With new education standards in place from 30 April 2020, any financial adviser/financial planner that has not been previously authorised will be deemed to be a provisional financial adviser/ financial

3.0 COMMITMENT

The Licensee is committed to doing its part to ensure that consumers are consistently positioned to make informed and appropriate decisions regarding personal financial and credit advice, and to do so with confidence in the advice they are receiving.

Avana`s policies and procedures are designed to address the needs of the consumer, meet our regulatory requirements and position us for success in achieving our objective of being one of the most professional and respected providers of personal financial

advice to help clients build wealth, protect wealth and manage wealth leading up to and after retirement.

We will continue to monitor and adapt our policies and procedures as we develop and strengthen our business, for the benefit of all stakeholders, with a firm focus of providing a high quality and reliable customer experience.

4.0 APPLICATION

This policy applies to all the Licensee's employees and Representatives. It may also apply to the Representative staff as deemed necessary upon assessment from the Licensee.

This policy has been written to ensure that the Licensee and its representatives comply with the following laws, regulations and industry standards including but not limited to:

- Corporations Act (Cth) 2001
 - Section 912A (1)(f)
- ASIC Regulatory Guide
 - Regulatory Guide 104
 - Regulatory Guide 146
 - Regulatory Guide 206
- Financial Adviser Standards and Ethics Authority
- Tax Agent Services Act 2009
- Tax Agent Services Regulation 2009

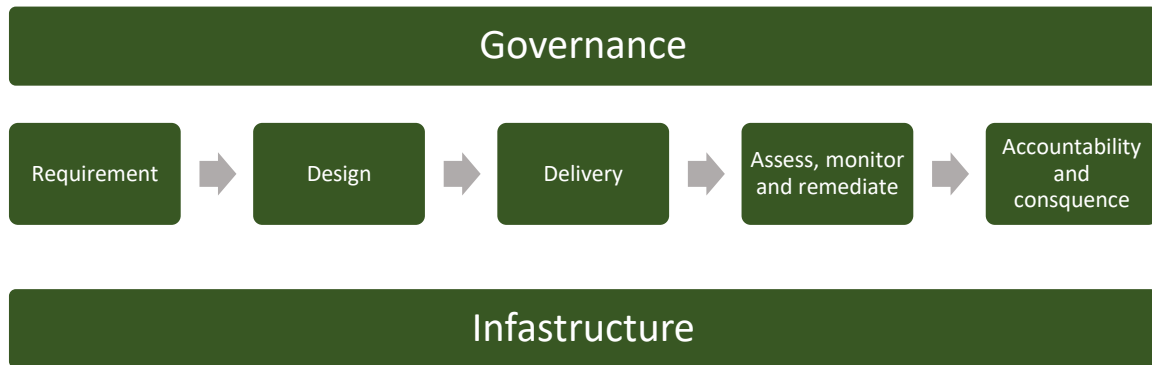
5.0 TRAINING FRAMEWORK

Our training framework has been designed to ensure that the appropriate training and support is provided to Representatives.

5.1 Governance

The Compliance Team have direct responsibility for the development and maintenance of our training framework, education policies, and training modules, together with the

implementation, rollout and maintenance of training and support to all authorised representatives.



5.2 Infrastructure

The Licensee is committed to delivering appropriate training and support to Planners to meet Tax Practitioners Board, Financial Adviser Standards and Ethics Authority (FASEA) and ASIC RG146 requirements. This infrastructure consists of materials, systems and registers, processes and resources.

5.3 Requirement

The Licensee designs training that is outcomes focus, where objectives are well defined and achievable.

The following will be used for identifying the relevant course objectives:

- Satisfying relevant laws and regulatory requirements;
- Establishment of skill sets and competencies for Planners to be able to meet the relevant laws and legislation; and
- Validation of the ongoing effectiveness of training, as evidenced by the results of the Licensee's monitoring and supervision framework.

These requirements will be articulated by providing a clear and concise learning outcome statement for each training course provided or facilitated by the Licensee.

5.4 Design

The Licensee understands that training design is an important part of the training process. The design of each course takes into consideration the most effective method of assisting Planners achieve the required learning objectives.

The Compliance Manager assesses the training requirements, establishes the curriculum, defines the strategy to deliver the training and education, and identifies internal and external resources required to meet the agreed training objectives.

5.5 Delivery

The Licensee will ensure that appropriate training is provided to all representatives, through a series of training and educational programs including but not limited to:

- Professional Development Days
- Kaplan Ontrack Online CPD
- Technical Tips Workshops
- Compliance Training
- One on One training (where required)
- Webinars
- Avana Learning Management System

5.6 Assessment, monitoring and remediation

Assessments are an important aspect of our training. Assessments are designed to confirm understanding of the relevant subject matter and to encourage ongoing training and development.

The Licensee is committed to the development of our Representatives and to maintain an appropriate level of investment in their training capability. We will do this by:

- Reviewing results of course assessments completed by Representatives;
- An on-boarding process, including mentoring, for all Representatives who join the Licensee;
- Analysing outcomes of the Licensee's monitoring and supervision framework to identify performance gaps in the delivery of high-quality advice;
- Individual assessments via office visits by Professional Standards; and
- Regular monitoring of ongoing continuing professional development points via Kaplan Ontrack.

5.7 Accountability and consequence management

Consistent with the Licensee’s expectation that all Planners provide high quality advice to their clients, it is the responsibility of each Planner to ensure that they remain accountable for managing their own ongoing education and training requirements, and meet the obligations contained within this policy.

In line with the Licensee’s Breach and Incident Management Policy, the Licensee treats non-compliance seriously, and failure to adhere to these requirements will be recorded as an incident with escalation to the Professional Standards Manager for the appropriate action, which might include termination of authorisation.

6.0 SKILLS AND COMPETENCY REQUIREMENT

The Licensee must ensure that its representatives are suitably qualified to provide advice under our licence. This requirement involves training to the standards set out in FASEA Standards. Set out below are the skills and competency requirements that all Planners must have before providing financial advice:

Competence Area	Definition
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.
Client Care and Practice	The activity is designed to enhance participants’ ability to act as a client-centric practitioner in advising retail clients.
Regulatory Compliance and Consumer Protection	The activity is designed to enhance participants’ understanding of applicable legal obligations and how to comply with them.
Professionalism and Ethics	The activity is designed to enhance participants’ capacity to act as an ethical professional.

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.

7.0 PLANNER EDUCATION REQUIREMENT

The maximum requirements for a New Entrant will be an approved bachelor's degree (AQF7) 1 of 24 subjects; and for an Existing Adviser will be a Graduate Diploma of 8 subjects.

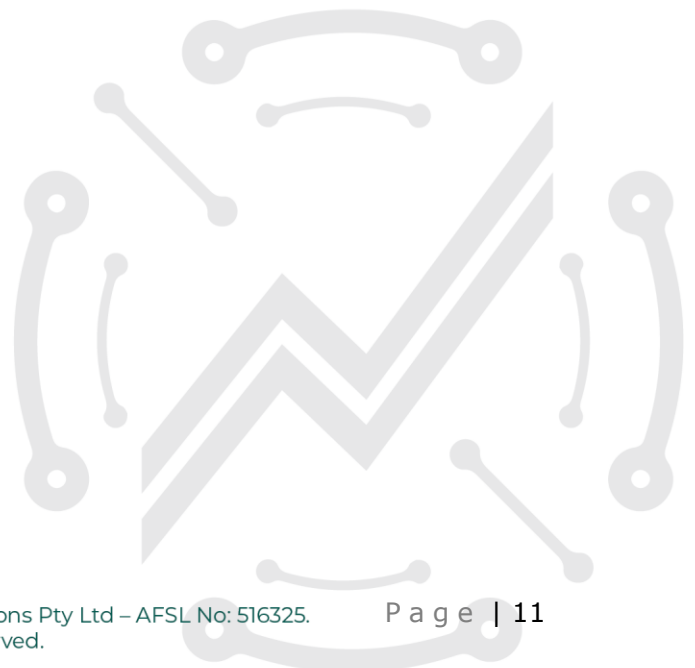
The minimum requirements for a New Entrant will be an approved Graduate Diploma (AQF8) of 8 subjects; and for an Existing Adviser will be 1 subject being FASEA's Bridging Course – The FASEA Code of Ethics and Code Monitoring Bodies – for those with a FASEA approved bachelor or master's degree.

Recognition of prior learning and the number of subjects required, will vary by pathway for each individual as described below. FASEA will issue an initial Legislative Instrument (LI) in respect of historical and current bachelor's degrees, graduate diplomas and master degrees that are approved pursuant to our Education Pathways Policy and Program and Provider Accreditation Policy.

Future LIs will add new degrees, equivalent qualifications, bridging courses and FASEA approved coursework undertaken to obtain a designation. FASEA will continue to assess education for approval as applications are received, pursuant to the processes documented in our policies.

New entrant	Existing adviser with approved degree	Existing adviser with relevant degree	Existing adviser with non-relevant degree	Existing adviser with no degree
<p>Education required Approved Degree (24 subjects at AQF7) from January 1 2019</p> <p>OR</p> <ul style="list-style-type: none"> Approved Graduate Diploma (AQF8) Approved Masters Degree (AQF9) <p>All with embedded bridging knowledge areas</p>	<p>FASEA approved Bachelor Degree (AQF7) or Graduate Diploma (AQF8) or Master Degree (AQF9) already meets the qualification requirements.</p> <p>Education required Bridging Course (1 subject - FASEA Code of Ethics at AQF8) by no later than Jan 1 2024</p>	<p>Education required Bridging Course (3 subjects at AQF8 + 1 FASEA approved subject) by no later than Jan 1 2024</p> <p>Relevant degree definition - 8 subjects at AQF 7, 8 or 9 that contain at least 8 courses in one or more of the designated related fields of study in any combination - accounting, taxation law (as defined by the TPB), finance law, finance, business law (as defined by the TPB), investment, estate law, banking, economics.</p>	<p>Education required Approved Graduate Diploma (7 subjects at AQF8) by no later than Jan 1 2024</p>	<p>Education required Approved Graduate Diploma (8 subjects at AQF8) OR Other approved qualifications - Bachelor Degree (AQF7) or Masters Degree (AQF9) by no later than January 1 2024</p>
<p>Bridging Course subjects</p> <ul style="list-style-type: none"> Financial Advice Regulatory & Legal Obligations (Corporations Act, AML, Privacy & TPB) The FASEA Code of Ethics and Code Monitoring Bodies Behavioural Finance: Client and Consumer Behaviour, Engagement and Decision Making 				
<p>RPL - Recognition of Prior Learning</p> <ol style="list-style-type: none"> Holds an Advanced Diploma of Financial Planning - 2 credits Completed approved coursework to attain a designation (eg. FPA's 5 unit CFP, FchFP post c. 2014) - 2 credits 				

The table below may assist relevant providers identify the number of courses required to meet FASEA's Education Standard.



	Pathway	Outcome (# of courses)
EA - Approved degree	FASEA 1 Bridging Course	1
EA - Relevant degree + ADFP	FASEA 1 Bridging Courses	1
EA - Relevant degree + approved coursework to attain designation	FASEA 1 Bridging Courses	1
EA - Non-relevant degree + ADFP + approved coursework to attain designation	FASEA 3 Bridging Courses (5 credits for degree, ADFP and approved coursework undertaken to attain designation)	3
EA - Relevant degree	FASEA 3 Bridging Courses + 1 FASEA Approved Unit (4 credits for degree)	4
EA - No degree + ADFP + approved coursework to attain designation	Approved GDip less 4 credits for ADFP and approved coursework undertaken to attain designation	4
EA - Non-relevant degree + ADFP	Approved GDip less 3 credits degree and ADFP	5
EA - Non-relevant degree + approved coursework to attain designation	Approved GDip less 3 credits degree and approved coursework undertaken to attain designation	5
EA - No degree + ADFP	Approved GDip less 2 credits for ADFP	6
EA - No degree + approved coursework to attain designation	Approved GDip less 2 credits for approved coursework undertaken to attain designation	6
EA - Non-relevant degree	Approved GDip less 1 credit for degree	7
EA - No degree	Approved GDip	8
New Entrant - Career changer	Approved GDip	8
New Entrant	Approved Bachelor Degree	24

8.0 COMPETENCY AND KNOWLEDGE EXAM

The exam allows candidates to demonstrate professional reasoning and apply knowledge acquired to actual

financial advice scenarios at AQF7 level. The curriculum will cover:

- Financial Advice Regulatory and Legal Obligations (including Corporations Act – Chapter 7, Anti-Money Laundering (AML), Privacy and Tax Practitioners Board (TPB))
- Financial Advice Construction – suitability of advice aligned to different consumer groups, incorporating consumer behaviour and decision making

- Applied ethical and professional reasoning and communication incorporating FASEA Code of Ethics and Code Monitoring Bodies.

The exam will be 3.5 hours including reading time and open book as far as statutory materials are concerned.

New entrants need to pass the exam before indirect supervision in PY **Existing advisers** need to pass the exam by 1 January 2021

- 1 3.5 hours including reading time
- 2 Open book as far as statutory materials are concerned
- 3 Selected and written response questions
- 4 Practical application of adviser knowledge in the following competency areas -
 - Financial Advice Regulatory & Legal Obligations (Corporations Act, Anti Money Laundering, Privacy and Tax Practitioners Board)
 - Financial Advice Construction
 - Applied Ethical and Professional Reasoning
- 5 Physical digital offering
- 6 Resits available
- 7 Curriculum, recommended reading lists and practice exam will be published
- 8 A Provisional Relevant Provider needs to pass the exam before moving to indirect supervision (Q3/Q4 - approximately 6 months into Professional Year)

8.1 Self-Managed Superannuation (SMSF)

According to ASIC Regulatory Guide 146.43 and 146.44 'Any person advising on SMSFs must complete, as a minimum, the Tier 1 training requirements for superannuation. If a representative has previously undertaken training on superannuation, but this did not sufficiently cover SMSFs, the representative should undertake additional specific product training in relation to SMSFs before advising on these products'.

The Licensee may at its discretion, elect to accept SMSF training completed from non-ASIC accredited courses providing representatives have maintained their ongoing training in SMSF. A SMSF competency exam may be required to determine the knowledge and skill of the representative. If legislation changes in the future, Planners will be required to complete an ASIC accredited SMSF course.

8.2 Tax (Financial) Planners

All Australian financial services (AFS) licensees and their representatives that provide tax (financial) advice services for a fee or other reward must be registered with the Tax Practitioners Board (TPB). As an authorised representative, as you advise your clients about the tax consequences of the financial advice you provide, you are considered to be providing a tax (financial) advice service.

To maintain registration with the TPB, you must have completed the continuing professional education (CPE) requirements. For the purposes of the TPB requirements, CPE is the same as continuing professional development (CPD).

The TPB sets out that a tax (financial) Planner must complete a **minimum of 60 hours of CPE** within a standard three-year registration period, with a minimum of seven hours each year.

If an authorised representative has a condition on their registration, they must complete a minimum of 45 hours of CPE within a standard three-year registration period, with a minimum of five hours each year.

If the authorised representative's registration period is other than three years, they should complete CPE on a pro-rata basis.

8.3 Licensee's Staff Requirements

The Professional Standards Manager, Senior Compliance Officer, Compliance Officer and Compliance Co-Ordinator must be qualified and meet the FASEA CPD requirements. Training will be the responsibility of the individual; however, the Licensee may offer training as a part of its ongoing training and development program. It is the Licensee's requirement for employer representatives to be registered on Kaplan and complete their minimum CPD hours, both in aggregate and across knowledge areas each year.

9.0 COMPULSORY REQUIREMENTS BEFORE PROVIDING ADVICE

9.1 Work and Training (Professional Year)

The Work and Training requirement (Professional Year) requires 1600 hours during a 12-month period (equivalent FTE). A Provisional Financial Adviser/Provisional Financial Planner will be required to have a Professional Year Plan that is agreed with their supervisor and licensee and meets a quarterly activity framework aimed at developing the following competencies:

1. Technical Competence;
2. Client Care and Practice;
3. Regulatory Compliance and Consumer Protection; and
4. Professionalism and Ethics



- 1 1600 hours – 100 hours structured training and 1500 hours work
- 2 Supervisor – minimum 2 years experience as a relevant provider (post Professional Year)
- 3 Formal education contributes to training requirement
- 4 Competencies expected to be demonstrated before conclusion of Professional Year are –
 - Technical Competence
 - Client Care and Practice
 - Regulatory Compliance and Consumer Protection
 - Professionalism and Ethics
- 5 Professional Year Plan will need to define key direct and indirect supervision activities in a quarterly approach, including competency assessment with opportunity to accelerate into indirect supervised activities only after the Provisional Relevant Provider has passed the exam
- 6 Completion certificate can be issued at end of each quarter with an attestation that competency has been achieved. Thereafter the Provisional Relevant Provider can move to the next quarter
- 7 Final Completion Certificate can be issued at end of quarter 4 including attestation that Work and Training Requirement activities are complete and competency has been obtained at the appropriate level to complete Work and Training Requirement
- 8 Professional Year is not required if the provider is returning from a career break
- 9 Templates will be available as guidance
- 10 Evidence collection and record keeping need to be maintained for 7 years
- 11 Provisional Financial Adviser or Provisional Financial Planner will be identified as such to clients

9.2 Induction training

All representatives must complete the Licensee's Induction Training within a maximum of two months of joining the Licensee. The course is designed to provide an understanding of the Licensee's philosophy, organisational structure, advice process, compliance principles, policies, manuals and practices, as well as providing an opportunity to meet staff, establish contacts and network. The program will be reviewed regularly to ensure continued relevance and value.

9.3 Prevet mentoring

As part of the on-boarding process, all Planners joining the Licensee will be automatically enrolled in our mentoring prevet program. This program will include relevant training and support to ensure that Planners are able to operate effectively within the Licensee's overarching advice framework. The compliance training and development team will communicate timings and processes to representatives.

10.0 CONTINUING PROFESSIONAL DEVELOPMENT REQUIREMENTS

The Corporations Act 2017 (the Act) requires that all registered financial advisers are required to meet the requirements for continuing professional development set by FASEA (s921B(5)). The Act requires FASEA to set requirements for continuing professional

development in relation to each CPD year of a financial services licensee (s921U(2)(iv)). Additionally, it is an obligation under the FASEA Code of Ethics that: Standard 10: **You must develop, maintain and apply a high level of relevant knowledge and skills.**

The CPD Requirements are made up of two components:

1. Responsibilities for CPD; and
2. CPD requirements

10.1 Responsibilities for Continuing Professional Development

I. Financial Advisers

Financial Advisers must undertake sufficient continuing professional training to maintain competence at a level appropriate for the professional services (including financial product advice) that they provide and keep up to date with developments relevant to their practice.

In achieving this the Financial Adviser:

- 1) Must maintain a Continuing Professional Development (CDP) Plan on a continuing basis, that identifies areas for improvement in competence, knowledge and skills and the professional development proposals for making those improvements;
- 2) Must complete at least 40 hours of CPD activity in each CPD Year, however, in special circumstances if the relevant provider is working part-time for the whole of the CPD year, with the prior written consent of the licensee, they must complete at least 36 hours of CPD activity in each CPD Year: in both cases, 70% must be approved by their licensee;
- 3) Must maintain a continuous, up-to-date and accurate record of their CPD activities, including evidence of completion of any CPD activity that is intended to be relied on to meet this Standard and keep records for 7 years from the end of each CPD year; noting that FASEA encourages a digital solution that can track CPD activities, evidence and outcomes, while providing portability and accountability; and
- 4) Must provide those records to the licensee in order for the licensee to meet its compliance with the CPD Year requirements.

Where financial advisers take a career break, the following standard will apply. They:

- must meet the existing adviser education qualification requirements;
- are able to return without additional requirements if leave period is less than 2 years; and
- for leave periods of 2 years or more they must undertake appropriate CPD to ensure they upskill with the latest regulatory and licensee requirements.

II. Avana

- 1) Avana is required to support its authorised representatives, employees and relevant providers in their undertaking of CPD to maintain competence at a level appropriate

for the professional services (including financial product advice) that the relevant provider provides.

- 2) Avana will be required to ensure it is satisfied that their financial adviser's knowledge and skills are up to date.
- 3) Avana is required to set the requirements for those returning after a 2 year or more career break to ensure they will upskill with the latest regulatory and licensee requirements as soon as practicable once they return.
- 4) In authorising financial advisers who have recently completed their Professional Year, given the extent of training undertaken during the Professional Year, Avana may choose to pro-rata the CPD hours for the period between completion of the Professional Year and the end of the licensee's CPD year.
- 5) Avana may choose to recognise the CPD undertaken with a previous licensee when authorising an existing financial adviser.
- 6) Avana must maintain and publish a CPD policy that its financial advisers adhere to including:
 - Overall approach to CPD;
 - Process for approving CPD activities and the mechanism for allocating hours to these;
 - Approach to any CPD plans created for Relevant Providers;
 - Process for ensuring CPD activities are provided by persons and/or entities that are appropriate (with accredited standing, expertise and academic qualifications and practical expertise as appropriate);
 - Approach for those affected by extenuating circumstances such as medical, disability or parental leave;
 - Approach for existing relevant providers moving licensees
 - Approach for relevant providers who have recently completed their Professional Year
 - Approach for relevant providers working part-time;
 - Approach to evidencing outcomes of CPD;
 - Approach to record keeping; and
 - Approach to auditing compliance with the policy.

10.2 CPD Requirements

I. Hour system of CPD calculation

The hour system of CPD calculation encourages a wide variety of education activities within the required competencies and professionalism.

II. CPD categories

The competencies expected to be demonstrated for ongoing professional practice are:

- Technical competence: acting as a technically proficient professional
- Client care and practice: acting as a client centric practitioner
- Regulatory compliance and consumer protection: acting as a legally compliant practitioner
- Professionalism and Ethics: acting as an ethical professional

These competencies broadly align with the graduate outcomes expected of qualifying practitioners and the work and training standard. These requirements are provided as a framework given they are sufficiently broad to cover the full range of developing an expert practice in financial advice.

As well as high level competencies such as demonstrating capabilities in critical thinking, critical self-reflection and ensuring professional behaviours, vital skills are required to be developed. The table below addresses these skills by reference to CPD categories with minimum hours per year for each category. The balance up to 40 hours must consist of qualifying CPD from these categories or other selected by the Adviser or Licensee.

	CPD area	Content of CPD activity	Minimum CPD Hours Per Year
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.	5
2	Client care and practice	The activity is designed to enhance participants' ability to act as a client-centric practitioner in advising retail clients.	5
3	Regulatory compliance and consumer protection	The activity is designed to enhance participants' understanding of applicable legal obligations and how to comply with them.	5
4	Professionalism and ethics	The activity is designed to enhance participants' capacity to act as an ethical professional.	9
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.	No minimum

III. CPD planning

To support outcomes and the appropriateness of CPD activities undertaken, financial advisers and Avana must develop and maintain a Continuing Professional

Development Plan. Allocation of activities to proposed other qualifying CPD, may address the relevant needs for Avana and/or its financial advisers, such as specialty areas or additional technical requirements.

IV. Types of CPD

The following types of learning are options that may be considered by a relevant provider and licensee in terms of the CPD that the relevant provider undertakes:

- 1) Formal relevant education (provided by an Education Provider) may contribute to the CPD requirement including degree equivalent study to meet legislative requirements (such as bridging courses and approved degree studies) and any formal study towards other qualifications and designations relevant to the practice of the Financial Adviser, to a maximum of 30 CPD hours per year.
- 2) Non-formal education including:
 - (a) Education for the purposes of achieving a relevant professional designation (e.g. CFP, FChFP, etc)
 - (b) Education for the purposes of meeting requirements in specific financial advice provisions (e.g. Stockbroking, SMSF, Aged Care, etc.)
 - (c) Education for the purposes of accreditation in specific forms of financial products relevant to licensing arrangements (e.g. Credit)
- 3) Other CPD as approved by Avana:
 - (a) Sessions/Workshops such as conferences, PD days, update sessions, which are relevant to financial advice – approved CPD
 - (b) Professional or Technical Reading to a maximum of 4 hours – approved CPD

Education that is measurable, appropriately assessed and leads to further qualification outcomes for participants is preferred as it more likely provides structured and independent results for the participants work and training needs.

V. CPD approval

FASEA allows Avana to approach self-assessment of CPD accreditation, underpinned by this policy.

FASEA does not accredit/approve CPD activities or providers for CPD. However, it will provide a principles guide to enable consistency within the industry in the self-assessment approach. In assessing CPD, Avana is required to consider the following:

- The level of expertise of the CPD provider
- Expertise of facilitators and/or those delivering the CPD
- The level of learning undertaken
- The stated learning outcomes for the CPD activity
- Volume of time in undertaking the CPD activity

- The approach for verification of learning outcomes achieved

FASEA expects as a mandatory requirement that 70% of CPD is approved by Avana in accordance with this CPD Policy and based on FASEA guidelines.

10.3 Anti-Money Laundering and Counter-Terrorism Financing

The Anti-Money Laundering and Counter-Terrorism Financing (AML/CTF) Act regulation has significant impact on the financial services industry, including the Licensee.

To ensure representatives are up to date with the AML/CTF reforms, the Licensee has designed a training program which is available on Kaplan Ontrack. It is a requirement for all Planners and employer representatives to complete AML/CTF training once per financial year. New representatives must complete this training within 30 days of joining the Licensee.

10.4 Training on Policies & Procedures

It is a requirement for all the Licensee's staff to keep up to date with the Licensee's policies, quality assurance compliance manuals and procedures. Once authorised with the Licensee, policies and procedures should be read and understood before advice is provided to clients.

10.5 Licensee Staff

The Professional Standards Manager, Senior Professional Standards Officers and Compliance Co-Ordinator must be qualified and meet the requirements of RG146. The Licensee has an expectation that all Licensee staff complete ongoing training and development to ensure they maintain skills and knowledge to conduct their roles. It is the Licensee's requirement for Licensee staff to be registered on Kaplan and complete their minimum CPD hours, both in aggregate and across knowledge areas each year.

11.0 TRACKING

Kaplan Professional Ontrack is a proven online training solution that provides organisations with the content and platform they need to plan, deliver and manage the ongoing training requirements of their staff/Planners. Built on a reputation for delivering quality content for over 20 years, Ontrack is used by major and regional banks, financial services licensees, fund management companies, market participants, credit licensees and individual financial planners and mortgage brokers.

Covering a broad range of content across the knowledge areas covered by ASIC's RG146 (Financial product Planners) and RG206 (Credit licensees), Ontrack enables staff/Planners

to meet ongoing compliance obligations and stay on top of fast changing markets and regulatory requirements. Ontrack training includes a formal assessment component, which is tracked and recorded as evidence that training has been completed.

12.0 MONITORING

Professional Standards conducts regular reviews of representative training plans. Representative's CPD is captured in Kaplan Ontrack and all reporting is compiled through Kaplan Ontrack. A representative will receive an email outlining their progress towards their CPD targets on a quarterly basis.

13.0 RECORD KEEPING

All CPD is currently captured through Kaplan Ontrack. When a representative has completed training external to Ontrack, they are issued with a certificate and it is the Planner's responsibility to add this as a new training record on their individual Kaplan Ontrack account. Once this has been done, an email is to be sent to the compliance team with the attached certificate and Professional Standards will validate the training.

It is a requirement that all representatives keep evidence of all records relating to training. This includes:

- Certificates;
- Statements of attainments/attendance;
- Confirmation of enrolments;
- Invoices; and
- Receipts.

The Licensee may request evidence of a representative's records of training annually.

14.0 RECURRING TRAINING ISSUES

Professional Standards performs reviews on the Planners to monitor their development and adherence to Legislation. Where deficiencies are identified, the compliance team will develop additional training to improve the Planner's skills and compliance.

Training will be developed to address the common areas of concerns and may be incorporated into one or more of the following:

- Professional Development Days



- Kaplan Ontrack Online CPD
- Webinars
- Compliance Training
- One on One training where required

15.0 SUSPENSION OF REQUIREMENTS

Members affected by extenuating circumstances such as medical, disability or parental leave may apply for a suspension of their CPD requirements for a period of no more than 12 months.

The Licensee requires a Planner to complete an 'Application for suspension of CPD requirements' (see Appendix A). This needs to be completed in full and sent with any necessary documentation (e.g. doctor's certificates) to the Professional Standards Manager.

Suspension of CPD requirements will only be granted for:

- Maternity/Parental Leave;
- Illness or Disability; or
- Carer's Leave.

15.1 Application for suspension cannot be sought due to age or workload.

Upon approval, a Planner's CPD points and knowledge targets will be varied on a pro rata basis to reflect time absent from the industry.

If the representative is absent for more than twelve months, the representative needs to submit their first three advice documents to professional standards for pre-vetting prior to giving advice. The compliance team will then assess the representative's competency and will either recommend further prevetting or remedial training if required.

16.0 TRAINING ACCREDITATION

Accreditation is not necessary to meet ASIC's ongoing training requirements however in doing so there are several benefits for both the training provider and the participant.

The training session will be allocated a specified number of CPD points and a unique accreditation number. The fact that CPD points have been awarded may be used on

promotional material relevant to the training activity. The accreditation denotes the training is not only of a high standard but is also mapped to the FASEA ongoing training requirements.

As representatives are required to maintain detailed records of the training undertaken in order to substantiate that the training adequately covers all of those areas in which they provide advice. To this end Avana accredited training is allocated a defined number of CPD points. A breakdown of the competencies that have been specifically addressed in the training session will also be provided.

The accreditation number, CPD point allocation and competency breakdown will be provided on the proof of attendance required for each training activity. This will enable training to be verified and recorded quickly and easily.

Representatives can therefore be confident accredited training is designed to meet their ongoing training obligations.

Accreditation is valid for a 12-month period provided the material remains up-to-date and relevant. This means that those participating in the training within 12 months of the accreditation date will be entitled to receive the CPD points.

The Licensee's CPD training activities must meet the following requirements:

- Have clearly defined aims and outcomes
- Have a clearly defined, logical structure that follows adult learning principles
- Provide content that is current, accurate and up to date
- Provide content that contributes to a financial Planner's skills and knowledge extending beyond the minimum training requirements
- Be prepared by relevant industry experts
- Provide participants with training notes that, where relevant, include written, worked examples, activities, tips, warnings and reference to the relevant legislation
- Provide participants with proof of attendance in the form of either a printed certificate, letter or emailed PDF file which includes as a minimum:
 - (a) The name of the training session/course and the provider
 - (b) The date the training was undertaken
 - (c) The appropriate accreditation numbers
 - (d) A breakdown of the areas of competency addressed
 - (e) The signature of the training provider or an appropriate authorised person e.g. training manager, relevant department head etc.

To ensure these standards are met, the Licensee must assess each training session individually. To do so the following must be submitted to the Professional Standards Manager:

- A statement regarding the writer and/or facilitator's qualifications and experience

- The program agenda containing the title, duration, aims and outcomes of the training
- A copy of either the course notes, presentation or leader's guide¹
- A copy of materials provided for participants
- A copy of the course/training evaluation
- A copy of any formal assessment undertaken

Generally, one CPD point will be allocated per one hour of training undertaken. Training includes presentations, seminars, educational conferences and conventions, videos, training articles e.g. magazines or online.

The exceptions to this rule are:

- Workshops – allocated 1.5 CPD points per 1 hour of training
- Tertiary financial planning courses – a maximum of 15 CPD points per relevant subject

The CPD points allocated will exclude time spent on breaks.

17.0 REMEDIATION

As part of the ongoing monitoring and supervision of representatives, Professional Standards may determine that an authorised representative must undertake remediation to remedy a deficiency in skill or education.

If a representative is required to undertake remediation, this must be successfully undertaken within the specified timeframe. The timeframe will be dependent on the training required and the seriousness of the deficiency in skill or education. A Planner may not be allowed to provide advice until the remedial training has been successfully undertaken.

18.0 NON-COMPLIANCE

Consistent with the Licensee's expectation that all representatives provide high quality advice to our customers, it is the responsibility of each of the Licensee's representatives to ensure that they remain accountable for managing their own ongoing education and training requirements, and meet the obligations contained within this policy.

¹ Where a speaker does not provide any of these materials a detailed outline of the course content, provided by either the speaker or authorised person, will meet this requirement.



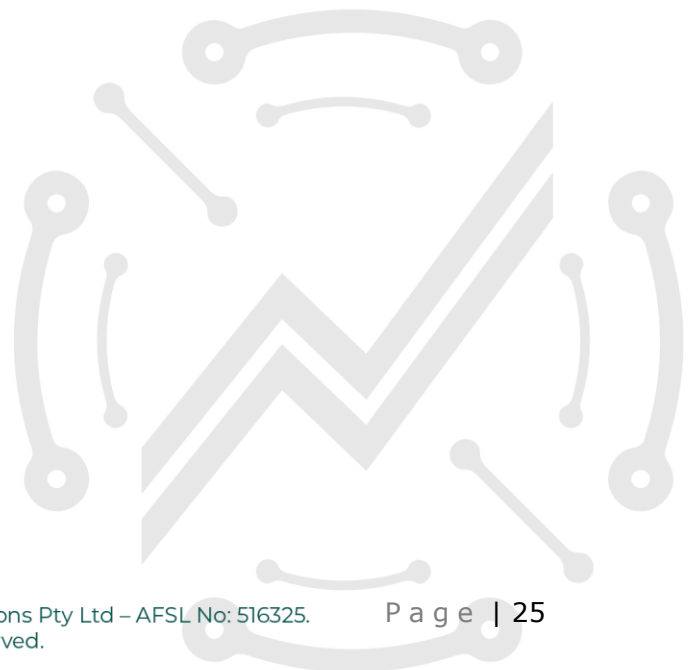
Avana

Financial Solutions

The Licensee treats non-compliance seriously, and failure to adhere to these requirements will be recorded as an incident with escalation to the Compliance Committee for the appropriate action, which might include termination or suspension of authority.

After 30 June each year, the Licensee runs a financial year end report on each representative's individual training targets. The representatives who have not achieved their targets will be advised formally via email that they have 90 days to rectify the deficit points. This will be escalated to the Licensee Directors for further consequence management.

The Professional Standards Manager has the right to approve knowledge completion of the training plan should a reasonable amount of knowledge be completed across a broad range of knowledge areas.





19.0 APPENDIX ONE – TRAINING PLANS

	Knowledge Targets
Technical Competence	
Personal Taxation Issues	1
Superannuation	1
SMSF	1
Retirement Income Streams	1
Securities	0.25
Derivatives	0.25
Managed Investments	1
Estate Planning	0.75
Social Security	0.75
Life Insurance	1
Margin Lending	0.25
Fixed Interest	0.25
Foreign Exchange	0.25
Deposit Products & Non-Cash Facilities	0.25
Client Care and Practice	
Financial Planning	3
Skills	3
Practice Management	3
Regulatory Compliance and Consumer Protection	
Generic Knowledge (structured compliance)	0.5
Personal Taxation Issues (structured compliance)	0.5
Superannuation (structured compliance)	1
SMSF (structured compliance)	1
Retirement Income Streams (structured compliance)	0.25
Securities (structured compliance)	0.25
Derivatives (structured compliance)	1
Managed Investments (structured compliance)	1
Estate Planning (structured compliance)	0.5
Social Security (structured compliance)	1
Life Insurance (structured compliance)	0.5
Margin Lending (structured compliance)	0.25
Fixed Interest (structured compliance)	0.25
Foreign Exchange (structured compliance)	0.25
Deposit Products & Non-Cash Facilities (structured compliance)	0.25
Financial Planning (structured compliance)	0.5
Professionalism and Ethics	
Ethics	9



General	
Generic Knowledge	4
Total	40

20.0 CPD CATEGORIES

	Minimum Requirement	Avana Requirement
Technical Competence	5	9
Client Care and Practice	5	9
Regulatory Compliance and Consumer Protection	5	9
Professionalism and Ethics	9	9
General	0	4
Total	24	40

