

Continuing Professional Development (CPD) for Financial Planners Policy

Version 2.1

Version	Current as at	Maintained by	Status
2.1	August 2021	Risk and Compliance	Final

Version Control

Version	Description of change	Date Approved	Approved by
1.0	New Policy	28/03/2019	CEO
1.1	Chnages resulting from revision of roles and responsibilities	22/08/2019	CEO
2.0	Biennial review	30/03/2021	CEO
2.1	CPD year change	05/08/2021	CEO

Effective Date

5 August 2021

Policy Maintenance

This Policy is to be reviewed and updated every two years or as appropriate. This Policy will be maintained by the Risk and Compliance Team. Approval is required by the Chief Executive Officer.

Approval

This Policy was approved on 5 August 2021.

TABLE OF CONTENTS

1. Overview	1	1
2. CPD year	2	
3. CPD obligations of relevant providers	2	
4. Assessment and approval of cpd plans and activities	3	
5. Record keeping	4	
6. Career breaks	4	
7. Provisional relevant providers	4	
8. Existing relevant providers new to eiss	4	
9. Monitoring	4	
10. Non-compliance	4	

1. OVERVIEW

1.1 Purpose and scope

This policy applies to Energy Industries Superannuation Scheme Pty Limited ABN 72 077 947 285 ('EISS') as the trustee of the Energy Industries Superannuation Scheme (the 'Scheme') in compliance with Corporations (Relevant Providers Continuing Professional Development Standard) Determination 2018. As the holder of a Registrable Superannuation Entity Licence ('RSE Licence'), EISS has authorised a number of its employees to be Representatives to provide personal financial product advice (Financial Planners). This Policy applies only to Financial Planners. Different regulatory and training requirements apply to persons providing only general advice or factual information.

Continuing Professional Development (CPD) is an essential component of being a professional and embeds a culture of learning. This policy embeds a CPD framework and outlines the CPD requirements under the 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
- CPD is integral to ethical and professional practice

1.2 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
- (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.

2. CPD YEAR

EISS's CPD Year is from 1 January to 31 December as per the most recent notice provided to ASIC under section 922HA of the Corporations Act 2001.

3. CPD OBLIGATIONS OF RELEVANT PROVIDERS

3.1 Full-time 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 No set minimum	No set minimum hours

3.2 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 No set minimum	No set minimum hours

3.3 CPD areas

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

Item	CPD area	Minimum requirement
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 clients.
2.	Client care and Practice	The activity is designed to enhance participants' ability to act as a client-centric practitioner in advising 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.

3.4 Maximum restrictions

In any CPD year, of the 40 hours required, no more than the specified hours in each activity below may be counted as follows:

- 30 hours of formal relevant education provided by an education provider such as bridging courses and approved degree studies.
- 4 hours of professional or technical reading

4. ASSESSMENT AND APPROVAL OF CPD PLANS AND ACTIVITIES

4.1 Assessment and approval of CPD plans

Provision of ongoing training for Representatives are conducted both internally via a centralised training register and by an external training provider, KAPLAN. EISS has taken FASEA CPD requirements into account when setting the Kaplan training plans for each relevant provider to ensure this requirement is met.

4.2 Approval of qualifying CPD activities

100% of all CPD activities undertaken by relevant providers must be assessed and approved by the licensee.

The following approval process is required:

Activity	Approval process
Kaplan Professional Ontrack content	Automatically approved
Kaplan Professional higher education subjects	Automatically approved to a maximum of 30 hours per subject
Non-formal education to meet the requirements in specific financial advice provisions (e.g. Aged Care) or accreditation in specific forms of financial products	A copy of the course completion/CPD certificate must be kept and recorded in EISS centralised training register by each representative. It is each representative's responsibility to ensure their CPD records are up to date.
Sessions/workshops including conferences, PD days, update sessions, which are relevant to financial advice-approved CPD	A copy of the course completion/CPD certificate must be kept and recorded in EISS centralised training register by each representative. It is each representative's responsibility to ensure their CPD records are up to date.
Professional or Technical Reading to a maximum of 4 hours - approved CPD	Automatically approved

4.3 Assessment of qualifying CPD activities

A CPD activity must meet 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
- 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.

4.3.1 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
- The CPD area to which it relates
- The duration in minutes/hours of the activity
- The letterhead and/or signature of the provider or an appropriate authorised person.

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

4.3.2 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.

5. RECORD KEEPING

The EISS centralised training register will be used to record the completion of CPD activities and specify each relevant provider's:

- individual overall CPD target
- minimum requirements in each CPD area
- any other specific requirements that must be met

The register will monitor individual progress and provide reporting.

CPD activities undertaken and completed via Kaplan OnTrack will be transferred to EISS centralised training register by EISS People and Culture on a quarterly basis. For CPD activities undertaken and completed outside the Ontrack platform, each individual representative is required to record their completed CPD hours in EISS's centralised training register. Compliance conducts a quarterly review of the centralised training register for each planner to ensure CPD requirements are met. It is the representative's responsibility to maintain complete and accurate CPD records. These records must be kept for at least 7 years after the date they were made.

6. 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. EISS 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 EISS 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.

7. 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.

8. EXISTING RELEVANT PROVIDERS NEW TO EISS

Prior to the appointment of each relevant provider, EISS Risk & Compliance undertake due diligence checks on the incoming relevant provider including a review and approval of the completed CPD transcripts for the last 12 months.

9. MONITORING

Compliance will monitor the completion of CPD requirements by each representative using EISS centralised training register's reporting functionalities. Representatives not meeting their CPD requirements for the quarter will be advised and followed up by Compliance.

10. 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). EISS ensures that all relevant providers are aware of the terms of this policy and consequences of non-compliance.

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.