



# The INVESTMENT COLLECTIVE

## Continuing Professional Development Policy

GEN-POL-029

Version Control Table

Version	Action	Document Owner	Approval Authority	Action date
1.0	New document developed from FPS004 Continuing Professional Development Policy. FASEA	Training Manager	Compliance Manager	20 <sup>th</sup> March 2019
V2.0	Review and update	Training Manager	Compliance Manager	29 <sup>th</sup> June 2022

## Introduction

### Purpose

As an Australian Financial Services Licensee, CIP Licensing Limited (CIPLL) is licensed to provide financial advice to retail clients. We are required by law to have a CPD Policy for the Relevant Providers that are authorised by CIPLL to provide personal advice to retail clients.

The purpose of this policy is to address CIPLL's legislative requirements for continuing professional development.

### Scope

This policy applies to all financial advisers and authorised representatives of CIPLL who provide personal financial advice to retail clients.

### Owner

The Document owner of this document is the Training Manager.

### Reference Documents

- Corporations Act 2001
- Corporations (Standards Body) (s 921B (5)) (s 921U(2)(iv)) 921U (2) (a) (i)
- Financial Planners and Advisers Code of Ethics 2019
- RG 146 Licensing: Training of financial product adviser
- Australian Financial Services License CIP Licence Limited - 471728
- Corporations (Relevant Providers – Education and Training Standards) Determination 2018
- Corporations (Relevant Providers Continuing Professional Development Standard) Determination 2018

### Review

The review period for this document is 24 months. Ad-hoc reviews will occur when changes to the regulatory environment occur.

### Glossary

CPD	Continuing Professional Development
Relevant Provider	Individual/Adviser/Authorised Representative
CIPLL	CIP Licensing Limited
AFSL	Australian Financial Services Licence
TIC	The Investment Collective
PY	Professional Year

## Definitions

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

- is an individual
- a financial services licensee; or
- an authorised representative of a financial services licensee; or
- an employee or director of a financial services licensee; or
- an employee or director of a related body corporate of a financial services licensee; and
- is authorised to provide personal advice to retail clients, as the licensee or on behalf of the licensee, in relation to relevant financial products

For ease of understanding the relevant provider will be referred to in this document as the adviser, which includes the authorised representatives.

**Formal relevant education:** includes any of the following

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

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

## Responsibility

Training Manager	Ensure the elements of this policy are carried out and adhered to. Report any information of interest or non-compliance to the Compliance Manager and ASIC.
Financial Adviser and Authorised Representatives	Report any breaches to the Compliance Manager, complete Continuing Professional Development plans training in accordance with FPS0004 Continuing Professional Development Policy. Provide documents and other evidence data at request from the licensee.
Compliance Manager	Ensure the elements of this policy are carried out and adhered to.

# Policy

## CPD Year

The CIPLL CPD year is from the 1 July to 30 June each year.

## Training Plans

All advisers must have a CPD Plan for each relevant CPD year. An adviser's CPD Plan must be approved by CIPLL. While it is an adviser's responsibility to develop their CPD Plan, CIPLL will provide an adviser with a CPD Plan which includes areas we consider improvement is required. The Training Manager will liaise with each adviser to create a personalised CPD Plan.

Additionally, CIPLL will offer services to ensure that the adviser's knowledge and skills are up to date by offering pathway support towards adviser degrees, Qualifications and Courses Legislative Instrument, section 921U (2) (a) (i) of the Corporations Act 2001.

## Adviser Responsibilities and Obligations

All advisers are required to complete a minimum of 10 CPD hours each quarter. The quarterly target has been set to ensure advisers complete their CPD in a structured manner throughout the CPD year and are not left with a large amount of CPD to complete at the end of the CPD year. Advisers are required to complete a minimum of 40 hours of qualifying CPD activity each CPD year.

## Qualifying CPD

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

CPD area	Minimum hours	Definition
Technical Competence	5	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	5	The activity is designed to enhance participants' ability to act as a client-centric practitioner in advising retail clients.
Regulatory Compliance and Consumer Protection	5	The activity is designed to enhance participants' understanding of applicable legal obligations and how to comply with them.
Professionalism and Ethics	9	The activity is designed to enhance participants' capacity to act as an ethical professional.
General	No minimum set	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.

The remaining 16 hours can consist of any other qualifying CPD activity (including those listed above).

## Assessment and approval of CPD

CIPLL is required to approve the CPD activity undertaken by its advisers. CIPLL has arranged for each adviser to use Kaplan Professional's Ontrack platform for the delivery of qualifying CPD activities.

For activities completed outside of Kaplan, the following must be satisfied for CIPLL to consider approving a CPD activity:

- a) the activity relates to one of the legislated CPD areas in the table above;
- b) the activity has sufficient intellectual or practical content; and
  - i. Has clearly defined aims and learning outcomes;
  - ii. Has clearly defined, logical structure that follows adult learning principles;
  - iii. Is current, accurate and up-to-date.
- c) The activity deals primarily with matters related to the provision of financial product advice, financial advisory services, and financial advice business;
- d) The activity is led or conducted by one or more persons with appropriate expertise, academic qualifications, and practical experience;
- e) The activity is designed to enhance adviser 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.

Advisers must provide the above information to the Training Manager prior to commencing a CPD activity to enable the Training Manager to assess whether the proposed CPD activity is an approved CPD activity.

If an adviser cannot validate the above, reconsider completing the CPD activity. If an adviser is unsure whether a CPD activity meets the appropriate requirements they must seek approval from the Training Manager prior to commencing the activity.

Preference is given to activities with a structured assessment component. Where there is an activity with an assessment to claim points, the adviser must pass the assessment and provide evidence to the Training Manager.

An adviser cannot claim more than 30 hours of activity towards formal relevant education provided by an education provider. Where multiple formal education subjects have been completed during the CPD year, the adviser may choose to claim certain hours from each subject, up to the maximum 30 hours.

Professional and Technical Reading is capped at 4 hours per CPD year. For reading completed outside of Kaplan, the adviser must submit a Professional and Technical Reading Register to the Training Manager for assessment and approval. Points will only be approved if the reading complies with the assessment criteria above (except for point (d)).

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

## Record Keeping

Upon completion of CPD activity, an adviser must submit their certificate of completion to Kaplan as soon as it is practical to do so for review and approval. This will ensure that up-to-date and accurate records of CPD activities are kept. If an adviser cannot provide evidence of completion of any CPD activity, the hours will not count towards the required 40 hours minimum.

Proof of attendance/completion (e.g. certificate, digital record, transcript), must contain:

- The name of the activity and the provider
- The date the activity was undertaken
- An overview of the activity
- Name and qualifications of who presented the activity, including academic qualifications and experience
- 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.

Advisers will need to keep records for 7 years from the end of each CPD year. The Kaplan Professional Ontrack platform will be used to record the completion of CPD activities. The platform will monitor individual progress and provide reporting.

For CPD activities undertaken and completed outside the Ontrack platform, each adviser is required to upload details into Ontrack and submit evidence for assessment and approval to the CIPLL Training Manager.

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

## Ongoing support

### *Kaplan*

All advisers will be registered with Kaplan Professional Ontrack platform. Through this platform Kaplan Professional delivers a premium CPD solution for advisers to meet the legislated CPD requirements.

In addition to a Kaplan subscription, CIPLL will offer the following support:

- Advisers will be given the opportunity to undertake CPD activities within working hours
- The Training Manager will assess each individual CPD activity as requested by an adviser to ensure appropriateness of the CPD activity
- The Training Manager will be made available to all advisers who require one on one support to meet their CPD requirements
- The Training Manager will provide quarterly and as necessary status reports to each adviser outlining the CPD points accrued in the current CPD year
- Training materials developed in house will be tailored to ensure it falls into the correct categories to gain CPD points this extends to Annual training seminars for authorised representatives.

## Career breaks

Where an adviser has not been practising or authorised as a relevant provider for a continuous period of 2 years or more, CIPLL must approve the adviser's CPD plan for the first CPD year before the adviser can resume work as an adviser. CIPLL must be satisfied that the adviser's CPD plan addresses any gaps in the adviser's competence, knowledge and skills arising from the adviser's absence.

## Existing adviser changing their licensee

CIPLL may choose to recognise the CPD activities undertaken with a previous licensee when authorising an existing adviser outside of CIPLL, dependant on quality and compliance of plan. A new adviser to CIPLL will need to provide completeness of records and any current CPD plan and submit this evidence and plan

to the Training Manager for review and approval. CIPLL will use our CPD plan template as a guide to allow comparison to the new adviser's existing plan.

## Professional Year

The licensee approach for the adviser's professional year will consist of the period of 1 year and will work in with the Corporations Act 2001 ref – (Work and Training Professional Year Standard Determination 2018). If a person is undertaking work on a part-time basis, the period will be increased to the extent necessary to ensure that the work activities, structured training, and CPD plan can be completed.

To authorise advisers who have recently completed their Professional Year, given the extent of training undertaken during the Professional Year, the licensee 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. Each adviser will need to supply their PY transcripts and mentor notes to allow CIPLL to ensure compliance towards the CPD requirements within the adviser PY.

## Audit and compliance

The Compliance Manager and Training Manager will conduct quarterly compliance checks on CPD completion for each adviser provided by Training Manager. The Training Manager will complete checks throughout the CPD year on the status of plans and liaise with advisers as to whether the plans require updating.

## Non-Compliance

All advisers *must* comply with the CPD obligations specified in this policy. Failure of an adviser to complete 40 hours of qualifying CPD activity in a CPD year requires CIPLL to notify ASIC of the adviser's non-compliance with the continuing professional development requirements.