

Training & CPD Policy for Representatives

Obligation

All licensees have the general obligation to ensure that its representatives are adequately trained, and are competent, to provide those financial services - s912A (1)(f) as well as ensure all employees are trained to perform their relevant roles competently. This policy is prepared in accordance with Corporations (Relevant Providers Continuing Professional Development Standard) Determination 2018.

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 ASIC.

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

Expectation

ASIC has set out its expectations of how licensees can meet their obligations with regards to representatives in:

- Regulatory Guide 104 Licensing: Meeting the General Obligations [RG 104] Section E Monitoring, supervision and training of representatives.
- Regulatory Guide 146 Licensing: Training of financial product advisers [RG 146] This policy sets out minimum training standards for people who provide financial product advice to retail clients.
- Corporations (Relevant Providers Continuing Professional Development Standard) Determination 2018: This sets out the minimum training standards for advisers who provide personal advice to retail clients.

Commitment

PGW Financial Services Pty Ltd embraces the regulatory requirements in relation to the training of its representatives.

An induction program for new representatives and all other personnel will be put into operation upon commencement as a representative of the licensee. To ensure that all representatives are kept up to date with the latest technical and product information, ongoing training facilities will be made available to each individual representative. (Kaplan Training facilities)

Nominated Training Manager

Tracey Gould is the nominated individual responsible for the training of representatives of PGW Financial Services Pty Ltd.

CPD Year

PGW Financial Services Pty Ltd, CPD Year is 1st of January to the 31st of December as per the most recent notice provided to ASIC under section 922HA of the Corporations Act 2001.

Continuing Training Program

PGW Financial Services Pty Ltd have implemented procedures to ensure that the organisation and its representatives undertake continuing training to maintain and update the knowledge and skills needed for their activities.

PGW Financial Services Pty Ltd may organise group training sessions, in the form of Adviser Catch-Ups, Webinars on a regular basis and our yearly National Conference. The agenda for this training will focus on the areas of general and specific knowledge relevant to the representative's role in providing retail financial advice.

In addition to our organised training, on-going training may also be undertaken through funds management/underwriter organisations and professional associations such as but not limited to the Financial Advice Association Australia, CISI (Chartered Institute for Securities & Investment) and Kaplan.

Knowledge areas as identified by ASIC:

- Technical Knowledge
- Client Care & Practice
- Regulatory Compliance & Consumer Protection
- Professionalism & Ethics
- Taxation (Financial) Advice

Other areas to be covered may include:

- Compliance Issues
- Economic Updates
- Advisory Functions and Process

- Managed Investments
- Direct Shares
- Superannuation & Retirement Planning
- Insurance
- Margin lending
- Social Security
- Taxation
- Estate Planning
- Product Updates AML/CTF risk awareness training program

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

Annual Training Plans

A Training Plan is allocated in Kaplan and reviewed for renewal on 1 January each year.

The following procedure is to be followed:

1. Training plans must be a minimum of 40 hours and meet the ASIC knowledge area requirements (if required) as a minimum – this includes PGW hours.
2. For general advice authorised representatives or wholesale only authorised representatives identify any gaps or weaknesses that the representative needs to focus on in the coming year or address areas noted in the section above.
3. The gaps and weaknesses identified in (1) above will then be incorporated into the representative's training plan, along with any other training requirements that may have been identified during the year through audits and/or other issues.
4. The Training Manager and the representative will then select appropriate training to address the gaps and weaknesses.
5. During the year, the Training Manager will assess ongoing completion. This is conducted on a quarterly basis and/or when necessary.
6. The Training Manager will then provide feedback to each representative regarding their performance against their objectives and may set additional requirements if an adviser is tracking well behind expectations.

Record Keeping

Representatives are required to keep all training records on file, as it is your responsibility to maintain adequate documentation of your CDP activities.

All records for training (including training registers, training plans & supporting documentation must be kept for 7 years.

As a licensee, PGW Financial Services Pty Ltd uses the Kaplan system to create, manage and track training plans and completed activities. All external training must be uploaded to Kaplan for approval.

Approval of Qualifying CPD Activities

Approval of qualifying CPD activities

70% 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 continuing education/short courses	Individual assessment of training as approved by the Training Manager - to a maximum of 30 hours per course
PGW National Conferences & Webinars	Automatically approved – hours subject to external verification
PGW Adviser Sessions	Automatically approved
Other Internal Organised Training	Individual assessment of training as approved by the Training Manager
Any training session run by an accredited training provider where ASIC allocated hours detailed on the training certificate	Automatically approved
Training sessions run by a non-accredited training provider where ASIC allocated hours detailed on the training certificate	Individual assessment of training as approved by Training Manager

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.

PGW Financial Services 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 PGW Financial Services 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.

If a relevant provider has not been practicing due to a certifiable medical condition the hours applicable for completion of their CPD training requirements both in individual knowledge areas and overall should be reduced in pro-rata with their time not practicing during the CPD year.

If a temporary break is taken and the relevant provider is not authorised for a period of time, then a pro rata approach is taken to all training requirements during that training year.

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.

Taxation (Financial) Advice

Advisers must engage in CPD activities that are relevant to tax (financial) advice to ensure their knowledge and skills remain current. CPD activities should cover changes in tax legislation, ethical standards, and best practice advice strategies if they are authorised to provide this advice.

The hours of CPD activities completed by those advisers authorised should be in line with ASIC requirements and form part of the overall CPD program for those advisers.

PGW Financial Services Pty Ltd is required to record and monitor CPD activities undertaken by advisers to ensure compliance with the ongoing requirements for providing tax (financial) advice services.

Training Requirements

The current CPD hours required as a minimum by authorised representatives of PGW Financial Services Pty Ltd are as shown below for Financial Advisers;

Total Training	40 hours
Professionalism and Ethics	9 hours
Client Care and Practice	5 hours
Regulatory Compliance and Consumer Protection	5 hours
Technical Competence	5 hours
Taxation (Financial) Advice (If applicable)	5 hours
PGW Provided Training	8 hours

The current CPD hours required as a minimum by authorised representatives of PGW Financial Services Pty Ltd are as shown below whom provide general advice only;

Total Training	40 hours
PGW Training	8 hours
Individual knowledge area training on an individual basis	

The current CPD hours required by authorised representatives of PGW Financial Services Pty Ltd as a minimum are as shown below whom provide wholesale advice only;

Total Training	40 hours
PGW Training	8 hours
Individual knowledge area training on an individual basis	

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*

References

- Corporations Act 2001: s912A(1)(ca) and s912A(1)(f)
- Regulatory Guide 104 Licensing: Meeting the General Obligations [RG 104] Section E Monitoring, supervision and training of representatives
- Regulatory Guide 146 Licensing: Training of financial product advisers [RG 146]
- Pro Forma 209 Australian financial services licence conditions [PF 209] Training Requirements for Representatives
- Corporations (Relevant Providers Continuing Professional Development Standard) Determination 2018.