



Licensee	On Q Securities Pty Ltd
Policy	Training Policy
Version	1.0
Last annual review	n/a
Last updated	6 February 2019
Owner	Responsible Manager

Policy Statement

On Q Securities Pty Ltd (“**On Q**”) is committed to conducting its business in accordance with all applicable laws and regulations, and in a way, that enhances its reputation in the market.

Managing the ongoing CPD requirements in accordance with FASEA guidelines is a key component to On Q’s risk management framework.

General

Application

This policy applies to all Representatives that are authorised to provide financial advice to retail clients (**‘Relevant Providers’**).

Policy breaches

All material or repeated breaches of this Policy will be escalated to the Responsible Manager and will be recorded in accordance with On Q’s Breach, Incident and Escalation Policy.

Escalation

Exceptions or exemption to this Policy may be considered on a case by case basis, by written request Responsible Manager. Questions about this Policy should be reported to the Responsible Manager.

Review of this Policy

This Policy will be reviewed annually by the Responsible Manager.

Responsibilities of Relevant Providers

FASEA’s Continuing Professional Development Policy sets out the following obligations of Relevant Providers:

- Must develop and maintain a Continuing Professional Development (CPD) Plan on a continuing basis, that identifies areas for improvement in competence, knowledge and skills and the professional development proposals for making those improvements;
- Must complete at least 40 hours of CPD activity in each CPD Year, 70% of which must be approved by their licensee;
- 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 the FASEA 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
- Must provide those records to the Licensee in order for the Licensee to meet its compliance with the CPD Year requirements.

Relevant Providers are required to demonstrate CPD activities across the following categories:

- **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

The 40 hours of CPD required each year should include a minimum of the following for each category:

CPD Category	Minimum Hours Per Year
Technical Competence	5
Client Care & Practice	5
Regulatory Compliance & Consumer Protection	5
Professionalism & Ethics	9
<i>*CPD from the above or approved by Licensee</i>	<i>16</i>
Total	40**

* The remaining minimum of 16 hours should consist of extra CPD from any of the above categories or other CPD approved by the Licensee.

** In any CPD year, a maximum of 30 hours of formal education study and 4 hours of professional and technical reading can count towards an adviser's CPD requirement.

Responsibilities of Relevant Providers

FASEA's Continuing Professional Development Policy sets out the following obligations of the Licensee:

- Ensure they are satisfied that their relevant provider's knowledge and skills are up to date for those affected by extenuating circumstances such as medical, disability or parental leave.
- Maintain and publish a CPD policy that the relevant providers authorised by the Licensee adhere to including:
 - Overall approach to CPD;
 - Process for approving CPD activities and the mechanism for allocating hours to these;
 - Approach to any continuing professional development 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);
 - Approach for those affected by extenuating circumstances such as medical, disability or parental leave;

- Approach to evidencing outcomes of CPD;
- Approach to record keeping; and
- Approach to auditing compliance with the policy.

Licensee Approval of CPD

On Q will conduct an assessment of at least 70% of the proposed CPD for the Relevant Provider, to ensure that it aligns with the following categories set out by FASEA:

- **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 Relevant Provider, to a maximum of 25 CPD hours per year.
- **Non-formal education including:**
 - Education for the purposes of achieving a relevant professional designation (e.g. CFP, FChFP, etc)
 - Education for the purposes of meeting requirements in specific financial advice provisions (e.g. Stockbroking, SMSF, Aged Care, etc.)
 - Education for the purposes of accreditation in specific forms of financial products relevant to licensing arrangements (e.g. Credit)
- **Other CPD:**
 - Sessions/Workshops such as conferences, PD days, update sessions, which are relevant to financial advice – approved CPD
 - Professional or Technical Reading to a maximum of 4 hours – approved CPD

The Training Manager will assess proposed CPD that is not provided under Kaplan’s “Ontrack” service. Ontrack content satisfies FASEA’s qualifying CPD activities in the first instance. In assessing further CPD activities, the Training Manager will ensure that approved activities have the following attributes:

- 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.
- Is the appropriate learning level and has appropriate technical or practical content.
- 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.
- 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
 - A bio or CV of person(s) who developed or 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
- Preference is given to activities with a structured assessment component. Evidence of the successful completion of the assessment is required.

Training Plans

Kaplan Ontrack is automatically updated to include the FASEA CPD areas. It is the responsibility of the Relevant Provider / Licensee to update their individual training plan with the new CPD areas.

In order to ensure that Training Plans fulfil FASEA requirements, Kaplan's CPD areas are identified using the following icons:



In addition to Kaplan Ontrack, where On Q approves the CPD of a relevant provider that has not been assessed under the Kaplan CPD areas, the Training Manager will document the activity on the Training Register, including documentation of activities undertaken, evidence of completion and outcomes obtained.

It is expected that Relevant Providers will collect and maintain evidence of their CPD activity and provide records of that evidence each year to the Licensee as part of their CPD year obligations under s922HC.

Compliance

The Training Manager will report to the Compliance Committee at the Compliance Committee Meeting, held quarterly.

The Compliance Committee will undertake an assessment of a Relevant Provider's tracking to the annual training plan on a quarterly (pro-rata) basis. Where it is identified that a Relevant Provider does not appear to be able to complete the annual training plan, the Training Manager will set an individual monthly target for the Representative in order to fulfil the annual CPD obligations.

Where a Relevant Provider fails to comply with the CPD requirements on or after 15 November 2019, the Responsible Manager must notify ASIC.

Record Retention

On Q's record keeping policy requires retention of records for as long as required by applicable laws (7 years), which may change from time to time.