CPD POLICY

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OUR CPD POLICY - PURPOSE

For the purposes of compliance with "Corporations (Relevant Providers Continuing Professional Development Standard) Determination 2018" (as amended from time to time) ("the Legislative Instrument").

OUR APPROACH TO CPD

Our approach shall be to:

(i) set reasonable CPD requirements for each of our 'relevant providers'; and
(ii) actively assess performance against those requirements throughout the CPD year.

CPD is considered a learning process and is ongoing. Guardian defines CPD as an array of learning activities designed to further develop and maintain competencies throughout the career of our 'relevant providers'.

We believe it is an integral part of our professional framework to ensure 'relevant providers' retain their capacity to service our clients professionally. CPD training not only grows and expands new knowledge, but ensures technical knowledge remains current.

It provides us with a tool to assess a 'relevant provider's' professionalism and allows us to be able to continue to provide our clients with the highest level of service possible.

BACKGROUND

As an AFSL holder, Guardian must develop, adopt and maintain a written CPD Policy. The CPD Policy must:

- Specify the CPD year.
- Set out our overall approach to our CPD obligations, including those of our 'relevant providers'.
- Describe how we will:
    - ❖ Determine how 'relevant providers' returning from breaks will have their CPD plans managed.
    - ❖ Monitor implementation of CPD plans by 'relevant providers'.
    - ❖ Assess and approve at least 70% of all of each 'relevant providers' CPD activities.
    - ❖ Ensure that our 'relevant providers' complete 70% of approved CPD activities.
    - ❖ Check compliance with the CPD Policy and the Legislative Instrument controlling it.
    - ❖ Record and maintain evidence of completion of, and outcomes of qualifying CPD activities.
    - ❖ Ensure all records required by the Legislative Instrument are completed and maintained.

POLICY TERM

Our CPD year shall correspond with our reporting Financial Year, being 1 July each year through to 30 June the following year.

This Policy and 'relevant provider' plans will be reviewed in June each year, with new 'relevant provider' plans set for the following CPD year by 30th June.

CPD PLANS

Each 'relevant provider' must prepare a CPD Plan for each CPD year and may amend it at any time.

Each CPD Plan is required to be in writing and must:

- Identify areas for improvement in, and development and extension of the 'relevant providers' competence, knowledge, skills; and
- Describe the qualifying CPD activities the provider will complete during the CPD year to achieve those improvements.

POLICY SPECIFICS

Returning from breaks	If a 'relevant provider' returns to work after a break their CPD Plan shall be drawn so as to pro-rata requirements for the relevant year of return according to the calendar month of return to work.
Monitoring implementation of CPD plans	Each quarter (as a minimum) we will assess performance towards CPD goals. If we form the view that unacceptable gaps have developed or look likely to develop we will caution the 'relevant provider' to attend to their CPD more promptly and monitor them monthly for the following quarter.
Assessing and approving a minimum of 70% of CPD activities for each 'relevant provider'	For the purpose of section 8 of the Legislative Instrument we will annually assess and approve a minimum of 70% of each of its relevant provider's CPD for them to complete as part of their CPD Plan as qualifying CPD activities as defined by section 7 of the Legislative Instrument.
Ensuring completion of these CPD activities by each 'relevant provider'	We will regularly (at least quarterly) assesses completion of CPD activities in pursuit of each of its relevant provider's CPD Plans.
Checking compliance with CPD Policy and the Legislative Instrument	Each year we will assess this CPD Policy document and determine the extent to which it is complying with the Legislative Instrument.
Recording and maintaining evidence of completion of and outcomes of qualifying CPD activities	We will record and maintain evidence of completion of, and the outcomes of, qualifying CPD activities. In addition all non-qualifying CPD activities will also be tracked and reviewed.
Ensuring all records required are completed and maintained	We will ensure that records required by this legislative instrument are completed and maintained. Those records shall be: • Details of all CPD assessments. • All CPD Plans. • Details of all CPD activities.

Publication of our CPD Policy	We will publish a copy of our CPD Policy on any website that we operate or maintain as part of our AFSL business. We will ensure that all our 'relevant providers' have access to a copy of this CPD Policy at all times.
Relevant Provider CPD Plans	We will ensure a CPD Plan for each 'relevant provider' is in place prior to the commencement of each 'relevant providers' CPD Year. Each CPD plan shall: ✓ Identify areas for improvement in, and development and extension of, the 'relevant providers' competence, knowledge and skills; and ✓ Describe the qualifying CPD activities the 'relevant provider' will complete during the CPD year to achieve those improvements.
Minimum CPD	Our minimum expectation is that each 'relevant provider' will complete 40 hours of CPD (at least 70% of which is deemed qualifying CPD activities) per CPD year.

WHAT IS A QUALIFYING CPD ACTIVITY?

It is a CPD activity that meets all these requirements:

- ❖ Is in one of the approved CPD areas
- ❖ Technical Competence
- ❖ Client care and practice
- ❖ Regulatory compliance and consumer protection
- ❖ Professionalism and ethics
- ❖ General
- ❖ Has sufficient intellectual or practical content
- ❖ Primarily deals with matters related to the provision of financial product advice, financial advice services and financial advice business
- ❖ Is led or conducted by 1 or more persons who are appropriate, and have sufficient standing, expertise, academic qualifications and/or practical experience excludes technical or professional reading; &
- ❖ Is designed to enhance relevant providers' knowledge and skills in areas that are relevant to the provision of financial product advice and financial advice services.

A CPD activity may cross CPD areas but can only be allocated to one CPD area – the predominant one by content.

Formal relevant education provided by an education provider may include any of these:

- ✓ A degree or equivalent qualification approved under the FASEA rules;
- ✓ A course determined in a legislative instrument under s.1546B(1)(b) of the Corporations Act;
- ✓ Education or Training provided or approved by a professional association; or
- ✓ Formal education or training study towards qualifications or designations relevant to practice as a relevant provider.

TAX SPECIFIC CPD

From 1 January 2023, Division 5 of Part 3 of the Corporations (Relevant Providers – Education and Training Standards) Determination 2021 applies at the commencement of a CPD year. For Guardian Associates, this means from 1 July 2023.

This section states "a relevant provider who provides, or is to provide a tax (financial) advice service, must complete continuing professional development activities, in accordance with this section, to maintain and extend their knowledge and skills in Australian commercial and taxation law, as is relevant to providing a tax (financial) advice service."

From this, The Table of CPD Areas below has been updated to reflect the difference between 'ordinary CPD' and 'tax-specific CPD" requirements, as well as the addition of Item 6 - Tax (financial) advice. The Requirements of CPD (further in this document) has also been updated to reflect the additional requirement of a minimum of 5 hours to be achieved in the CPD area of tax (financial) advice.

THE TABLE OF CPD AREAS

Item	Content of CPD Activity	CPD Area
1	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, but is not in an area referred to in item 6 of this table.	Technical competence
2	The activity is designed to enhance participants' ability to act as a client-centric practitioner in advising retail clients, but is not in an area referred to in item 6 of this table.	Client care and practice
3	The activity is designed to enhance participants' understanding of applicable legal obligations and how to comply with them, but is not in an area referred to in item 6 of this table.	Regulatory compliance and consumer protection
4	The activity is designed to enhance participants' capacity to act as an ethical professional, but is not in an area referred to in item 6 of this table.	Professionalism and ethics
5	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.	General
6	The activity is designed to maintain, extend or enhance a participants' professional or technical capabilities, knowledge and skills, including keeping up to date with regulatory, technical and other developments, relevant to providing tax (financial) advice services.	Tax (financial) advice

APPROVAL OF CPD ACTIVITIES

Approval of CPD activities must be ascertained by the 'relevant provider' from Guardian for at least 70% of CPD – i.e. a minimum of 28 hours each year.

Guardian will determine the maximum number of hours for each qualifying CPD activity.

REQUIREMENTS FOR CPD

40 hours per CPD year (36 for approved part-timers) needs to be obtained.

These hours must include minimum CPD area allocations as follows:

- 5 hrs Technical Competence
- 5 hrs Client Care & Practice
- 5 hrs Regulatory Compliance & Consumer Protection
- 9 hrs Professionalism & Ethics
- 5 hrs Tax (Financial) Advice *(only appliable to Tax (Financial) Advisers)*

Limits:

- Max 4 hrs Professional or Technical reading can be counted
- Max 30 hrs can be counted from formal relevant education

NB. If a relevant provider leads or conducts a qualifying CPD activity they can also count hours of preparation (and first delivery) towards their points.

OTHER OBLIGATIONS IMPOSED ON AFSLs

- Guardian must make appropriate resources and opportunities available to 'relevant providers';
- Monitor implementation of relevant provider's CPD Plans;
- Check compliance with AFSL's CPD Policies and the legislative instrument by AFSL and its relevant providers.

CAREER BREAKS

Where relevant providers take a career break, the following standard will apply to the relevant provider. 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.

RECORD KEEPING

Relevant providers must make and maintain complete and accurate records of:

- The qualifying CPD activities they undertake.
- When they undertake them.
- Number of hours spent on each.
- Evidence of completion of activity and outcomes of activity.
- Progress of implementation of their CPD Plan.

This can be facilitated by Guardian making and maintaining the records for the 'relevant provider'.

The 'relevant provider' must provide a copy of their CPD records to Guardian upon request.

Anyone required to make a CPD record must keep that records for at least 7 years after it is made.