

Continuing Professional Development Policy

Version	Date	Changes	Pages	By
1.01	June 19, 2018	Initial document	All	RJS
1.02	March 14, 2019	Various	Various	CJM

Continuing Professional Development Policy

1. Purpose

A key component of regulation in Australia is Continuing Professional Development (CPD) - ensuring the AFS and Advisers remain knowledgeable and capable.

It assists the pursuit of new knowledge and extending professional confidence and capabilities as professionals for a role that has impact on the financial situations of Australian consumers

This policy has been defined for First Mutual Advisers to plan to maintain their knowledge and abilities, while meeting regulatory and legislative CPD requirements.

First Mutual's policies continue to demonstrate the financial commitment to best practice – meeting professional confidence and proficiency professional confidence and proficiency - not just the law, but the spirit of the law and associated regulation.

Consistent with industry bodies, such as the FPA, First Mutual supports the following:

1. **Selection** - ensuring the right people with the right skillsets join the AFSL
2. **Conduct** – ensuring those in the business meet high standards expected professional confidence and proficiency by regulation, law and the AFSL standards
3. **Accountability** – maintaining a disciplinary mechanism.

CPD pursues technical competence and skills and knowledge expected of a professional who act appropriately and in the best interests of their clients.

2. Summary of Requirements

The following tables summarise the key CPD requirements for First Mutual Advisers, which is generally consistent with industry associations

In place until 31 December 2023:

CPD	First Mutual Australia Financial Planner										
Minimum CPD Hours	40 hours per measured year										
Accredited CPD	Minimum of 70% (28 hrs) of minimum hours required by FASEA with no more than four hours of professional or technical reading										
Non-accredited CPD	Up to 30% (12 hrs) of minimum hours required by FASEA										
CPD Area requirements	As per FASEA guidelines and as reflected on Kaplan training pages: <table border="1" data-bbox="624 808 1235 1032"> <tbody> <tr> <td>Client Care and Practice</td> <td>8</td> </tr> <tr> <td>Professionalism & Ethics</td> <td>9</td> </tr> <tr> <td>Regulatory Compliance and Consumer Protection</td> <td>8</td> </tr> <tr> <td>Technical Competence</td> <td>8</td> </tr> <tr> <td>General</td> <td>7</td> </tr> </tbody> </table>	Client Care and Practice	8	Professionalism & Ethics	9	Regulatory Compliance and Consumer Protection	8	Technical Competence	8	General	7
Client Care and Practice	8										
Professionalism & Ethics	9										
Regulatory Compliance and Consumer Protection	8										
Technical Competence	8										
General	7										
Record Keeping	The following records must be kept for seven years: <ul style="list-style-type: none"> • CPD record/CPD plan • Additional evidence for non-accredited activities 										
Audit	First Mutual advisers selected for audit must comply with audit requests – per Australian Regulation and Authorised Representative Agreements.										

3. Acceptable CPD Content

a. CPD Hours

All Advisers are required to meet the legislated CPD **requirement of 40 hours per CPD year**. CPD hours must be completed in each CPD area, as listed in the preceding table, in order to meet CPD requirements.

b. CPD hours for part-time advisers

The FASEA standard allows an adviser who is working on a part time basis for the whole of the CPD year to apply to their licensee for a reduction in minimum hours to 36 hours per annum. First Mutual provides **no CPD exemption for part-time advisers**.

c. Approved / Accredited CPD

A minimum of **70%** of the FASEA minimum hours required (28 hours) completed each CPD year must be **accredited/validated** by First Mutual.

Internal programs accredited by First Mutual authorised CPD accreditors are included under 'Accredited Programs' on a CPD record, and as such there is not a cap on the inclusion of these activities for First Mutual advisers.

No more than four hours can be spent on a CPD activity that consists of **professional or technical reading**, and no more than 25 hours in study towards a professional qualification or designation.

Whilst minimum CPD requirements have been set by First Mutual, it is possible that an adviser will need to maintain a greater amount of CPD is required in order to maintain or ensure competence in their advice areas.

d. Professional Year

The CPD requirement for those undertaking their **Professional year** will be a minimum of the hours of required training (currently 100), as it is understood they will already have a significant training burden in meeting the standards necessary to become a Relevant Provider.

e. Transfer of CPD hours

CPD hours accrued in excess in one CPD year **may not be transferred** or brought forward to offset the CPD requirement in an ensuing CPD year.

f. Non-accredited CPD

Advisers can complete **up to 30%** of their CPD hours per CPD year **on non-accredited CPD**. However, the content of the activity **must be directly related** to the members CPD plan and be able to be mapped to the CPD areas. In addition, activities should still meet those of a qualifying CPD activity as outlined by FASEA.

Where an adviser wishes to include non-accredited CPD the adviser will need to maintain **evidence of completion**, an **outline of course aims** and / or objectives, and any **assessments undertaken** in order to justify the inclusion of such programs on their CPD record.

It is strongly recommended that advisers undertake accredited programs to ensure they meet minimum FPA CPD requirements.

g. CPD activities by Professional Bodies accredited by FASEA

CPD activities offered by other FASEA accredited professional bodies can be included on an adviser's CPD record.

4. CPD Areas – definition of activities

The CPD areas as outlined in the Corporations (Relevant Providers Continuing Professional Development Standard) Determination 2018, are:

Technical Competence	Acting as a technically proficient professional To enhance 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	Acting as a client centric practitioner To enhance the ability to act as a client-centric practitioner in advising retail clients.
Regulatory compliance and consumer protection	Acting as a legally compliant practitioner To enhance understanding of applicable legal obligations and how to comply with them.
Professionalism and Ethics	Acting as an ethical professional To enhance capacity to act as an ethical professional.
General	To maintain and extend 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.

5. Tax Practitioners Board (TPB) Continuing Professional Education (CPE) Requirements

- Kaplan allocates relevant CPD to the TPB CPE requirements on the adviser's record.
- Total hours required by First Mutual in CPD meet or exceed those required by the TPB.

6. Record Keeping

a. CPD plan

Advisers are required to prepare a CPD plan on an annual basis. The CPD plan should be comprehensive and include development opportunities across each FASEA CPD area. In addition, the CPD plan should take into account the Knowledge Requirements required to support the advice delivered by the adviser.

First Mutual provides a CPD plan template and information to support the planning process through Kaplan and the First Mutual adviser portal.

b. CPD record

Advisers are required to keep a complete and accurate record of CPD completed for each CPD year. The CPD record and supporting documentation must be retained for seven years post completion.

The CPD record must capture the following information:

- Program / education activity title
- Provider
- Date of completion
- Evidence of completion
- Delivery format
- Total CPD hours
- CPD hours against each FASEA CPD Area
- CPD hours against each ASIC Knowledge Requirement
- Accredited / Non-accredited education activities

When claiming CPD hours for accredited professional reading / podcasts / video / non-accredited webinars etc. (capped at four hours per annum) the following information needs to be recorded in a Professional Reading Journal:

1. List in chronological order and show the author's / presenters name, title, journal or newspaper if relevant, name of publication, place of publication, year of publication and page numbers / web link;
2. Documentation of how the CPD has enhanced knowledge and skills;
3. Date professional reading completed relating to one or more of the professional dimensions;
4. Record the number of hours spent on professional reading / listening / viewing; and
5. Document the number of CPD hours claimed per year for engaging in Professional reading or listening to podcasts on financial planning issues.

7. Audits and Penalties

Adherence of the CPD Policy is a First Mutual adviser requirement, and advisers are asked to declare their completion of CPD within the annual review process. Failure to comply may ultimately result in suspension.

First Mutual regularly conducts CPD checks and audit. It is a requirement that advisers comply with CPD audit procedure – consistent with Australian Regulation and the adviser's Agreement.

Attachment: CPD Plan template

Professional Development Plan

A Professional Development Plan (PDP) sets out the identified learning activities that support the development of technical competencies, professional skills and personal attributes required for effective performance and participation within the financial services industry.

A Professional Development Plan (PDP) sets out the position of knowledge and skills, and the plan to maintain and improve them.

It is a requirement that

- The plan is established in order to meet your professional obligations
- The details as to how you meet the plan are defined
- A record is kept of the Continuing Professional Development undertaken in the format defined – Kaplan register
- Appropriate proofs are provided.

1. Capability	X =Yes	The technical, legal, product and industry knowledge that it takes to advise your clients and run your business
		How?
Am I up to date with the impacts of federal budgets, legislation and economic developments that have taken place?	<input type="checkbox"/>	
Have I met ASIC's requirement to maintain, update and develop my knowledge and skills in the areas in which I give advice?	<input type="checkbox"/>	
Am I up to date with the most current strategies impacting my clients?	<input type="checkbox"/>	
Are there any other areas of financial planning that I would need or like to explore? For example, SMSFs, Estate Planning?	<input type="checkbox"/>	
Do I need to update my knowledge to improve the performance of my own practice?	<input type="checkbox"/>	
Do I need to have a better understanding of succession planning?	<input type="checkbox"/>	
CPD Appropriate		

2. Professional Conduct	X =Yes	Skills and knowledge needed to make good, informed and client centred decisions
		How?
Am I up to date with FPA's code of conduct and practice standards?	<input type="checkbox"/>	
Am I up to date with my compliance obligations?	<input type="checkbox"/>	
Do I need to up-skill in any areas following my last compliance audit?	<input type="checkbox"/>	
Is there anything I need to improve upon in the area of complaints?	<input type="checkbox"/>	
Can I deal with ethical dilemmas?	<input type="checkbox"/>	
How?		
Am I aware of my own personal ethics and values?	<input type="checkbox"/>	
Do I know how they impact my clients (for example do I inspire trust and confidence)?		
How do I reflect my ethics in my client value proposition?	<input type="checkbox"/>	

2. Professional Conduct	X =Yes	Skills and knowledge needed to make good, informed and client centred decisions
How do I ensure the advice I give is client centered and ethically based?	<input type="checkbox"/>	
CPD Appropriate		

3. Critical Thinking	X =Yes	Skills and knowledge needed to make good, informed and client centred decisions
		How?
Do I apply my technical capabilities to unique client situations?	<input type="checkbox"/>	
Have I developed appropriate strategies to deal with current market and economic conditions? How?	<input type="checkbox"/>	
Do I demonstrate to clients the basis for my advice? How?	<input type="checkbox"/>	
Do I adequately seek new advice opportunities and solutions for clients? How?	<input type="checkbox"/>	
Do I adequately identify potential conflicts and risks? How?	<input type="checkbox"/>	
CPD Appropriate		

4. Reflective Practice	X =Yes	Skills in developing others and yourself - thinking about the professional and personal needs of others as well as your own
Can I improve my approach to my own professional development?	<input type="checkbox"/>	
Have I established career objectives for the next year, the next 5 years? And beyond?	<input type="checkbox"/>	
Do I know what others see as development opportunities for me?	<input type="checkbox"/>	
Do I reflect on my experiences to identify learning opportunities?	<input type="checkbox"/>	
Do I seek feedback from my colleagues and clients? If so, what does it tell me? Do I need to make improvements?	<input type="checkbox"/>	
Do I seek feedback from my clients?	<input type="checkbox"/>	
Am I open to constructive feedback?	<input type="checkbox"/>	
Am I achieving what I set out to do?	<input type="checkbox"/>	
CPD Appropriate		

5. Interdependence	X =Yes	How you engage with the profession, the industry and your peers in ways that instill consumer confidence
		How?
Should I can I have opportunities to contribute to the profession?	<input type="checkbox"/>	
Should I/Can I get involved in community education?	<input type="checkbox"/>	
What opportunities do I have to undertake pro-bono work?	<input type="checkbox"/>	
Am I in a position to mentor less experienced planners?	<input type="checkbox"/>	
Can I run education sessions for others?	<input type="checkbox"/>	
CPD Appropriate		

6. Relationships and Performance	X =Yes	Skills in building professional relationships and improving own professional performance
		How?
Do I understand my professional weaknesses?	<input type="checkbox"/>	
Do I understand my professional strengths?	<input type="checkbox"/>	
Do I have Points of Difference from others?	<input type="checkbox"/>	
Are there any opportunities to improve my job satisfaction?	<input type="checkbox"/>	
Have I developed an effective network?	<input type="checkbox"/>	
Do I know how to use it well?		
Do I want feedback from my clients?	<input type="checkbox"/>	
Do my clients consider me 'referable'?	<input type="checkbox"/>	
How do I know?		
Could my management of Conflicts be better?	<input type="checkbox"/>	
How do I manage conflict?		
Do I negotiate workable solutions?	<input type="checkbox"/>	

6. Relationships and Performance	X =Yes	Skills in building professional relationships and improving own professional performance
		How?
Am I managing the pressures of work as well as I can?	<input type="checkbox"/>	
Do my communication and presentation skills need improving?	<input type="checkbox"/>	
What leadership qualities do I have, and what skills need further refinement?	<input type="checkbox"/>	
Do I know if I am an effective leader?	<input type="checkbox"/>	
Are there people who inspire me? Who? What is it about them that I would like to learn?	<input type="checkbox"/>	
CPD Appropriate		

7. Compliance	X =Yes	Law, regulation, Authorised representative agreement
Am I meeting all obligations of the law and regulation?	<input type="checkbox"/>	
Am I meeting all elements of my agreement with my AFSL?	<input type="checkbox"/>	
Can I evidence these if needed?	<input type="checkbox"/>	
CPD Appropriate		

8. Feedback	X =Yes	Review feedback from (as appropriate) your supervisor, mentor, colleagues, staff, clients
Source		Feedback
1 – Supervisor/Manager	<input type="checkbox"/>	
2 – Mentor/s	<input type="checkbox"/>	
3 – Colleagues	<input type="checkbox"/>	
4 – Staff	<input type="checkbox"/>	
5 – Clients	<input type="checkbox"/>	
6 – Referrers	<input type="checkbox"/>	
7 – Others	<input type="checkbox"/>	
CPD Appropriate		

9. Objectives	Priority	Describe what you want to achieve

10. Plan					
CPD Activity	Area of Development	Start date	Due Date	Method	Provider
Ongoing PD	All	Jan	Dec	Online	Kaplan
PD days	All	Mar	Dec		First Mutual
Webinars					
Reading					
Formal study					
Monitor progress			31/03/2019	Online	Kaplan
& adjust plan			30/06/2019		
			30/09/2019		
			31/12/2019		