

WWA CPD POLICY – COMMENCING 1 JANUARY 2019

WWA is a **responsible licensee**, for the purposes of the *Corporations (Relevant Providers Continuing Professional Development Standard) Determination 2018* issued by the Financial Adviser Standards and Ethics Authority (FASEA). WWA employs financial planners who are **relevant providers** who provide personal financial advice to retail clients, on behalf of the licensee, in relation to relevant financial products.

This CPD policy can be amended at any time. Determination clause 5 (5) and Explanatory Statement Clause 17 include this requirement so that the policy is available to the relevant providers

This CPD policy will be available on our website (www.waterfallfp.com.au) on or before 31/3/2019

OVERVIEW

1. WWA will utilise existing procedures and processes to ensure its CPD Policy is compliant with FASEA's requirements
2. WWA is an FPA Professional Practice and its employees are FPA members who support the FPA's CPD Policy which since 2009 has been based on the Professional Dimensions Model intended "to encourage broader development and recognition of activities for FPA members that aligned to and supported their journey to being a well-rounded professional..."

The (2009/updated in 2016) "...Policy specifically aims to encourage members to:

- consider that CPD is not a compliance challenge but an opportunity to maintain personal and professional confidence and proficiency;
- broaden the range and type of acceptable CPD activities undertaken;
- take opportunities to reflect upon their own professional practice;
- participate in learning activities which meet the legal and ethical obligations of the profession: and
- pursue opportunities for engagement with the profession and the wider community"

The FPA CPD Policy includes the requirement that practitioner members have a Professional Development Plan (PDP) which 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. Further, the policy stipulates that members have a Professional Development Record (PDR) which captures the evidence of CPD activity, tailored to suit individual needs, showing the name, date, CPD value, provider, delivery type and dimensions of the education engaged in

The 2019 policy requires CFP® Professional and Financial Planner Associate members to undertake 40 hours per CPD year, with a minimum of 28 hours each year being FPA accredited and non-accredited CPD capped at 12 hours each year; no more than 4 hours of accredited CPD can be professional or technical reading. CFP® Professional member requirements increase from 1/1/2024 with the 'triennium' period reinstated and total CPD hours increased to 150 per triennium

The current (2019) FPA policy is consistent with FASEA guidelines on CPD Area requirements (see below) which include a minimum 9 hours in professionalism and ethics (thus obviating the Ethics Hours requirements of its predecessor policy)

Note that FASEA's determination [4 (1) (c)] includes 'a professional association' as an 'education provider'

WWA intends 'mapping' FASEA's CPD Areas to Professional Dimensions, utilising the fractional hours to cover 'overlap' (without double-counting and continuing the practice of 0.25 hours as the smallest fraction)

3. WWA has a compliance and training manager who was at 1 January 2019 an FPA Accredited CPD Assessor and intends re-doing the Accreditor training program, which at date of writing was not available

4. The relevant providers employed by WWA will continue to update their Personal Development Plans to ensure compliance with WWA's FASEA-compliant CPD policy and will have a CPD plan finalised before the start of each CPD year, with 31 March being the deadline for the first year

One of WWA's employees is a relevant provider who has not been practising for a continuous period of 2 years or more. WWA is satisfied that the CPD plan to be approved will appropriately address gaps in that relevant provider's competence, knowledge and skills arising from the provider's absence from practice

5. WWA will make appropriate resources and opportunities available so that each provider can meet the requirements of the CPD plan
6. WWA's training and compliance manager will, as an ongoing part of the role
 - Assess and approve activities and attribute hours to them
 - Assess and approve the CPD plan of the relevant provider who has not been practising for a continuous period of 2 or more years
 - Ensure that the relevant providers for whom WWA is the responsible licensee meet the requirements that at least 70% of the minimum number of hours are spent on qualifying CPA activities approved by the licensee
 - Record and maintain evidence of completion of, and the outcomes of, qualifying CPD activities
 - Ensure that records are completed and maintained
 - Monitor the implementation of relevant providers' CPD plans
 - Check compliance with the CPD policy by WWA and the relevant providers for whom it is the responsible licensee
7. WWA's CPD policy will be considered during regular practice meetings.

QUALIFYING CPD ACTIVITIES

WWA's CPD policy adopts FASEA's definition of qualifying activities under Determination 2018 Paragraph 7:

- (1) An activity is a **qualifying CPD activity** if all the following requirements are satisfied:
 - (a) the activity is in one of the **CPD areas** in the table to this section (the areas are referred to by the names in column 3 of the table);
 - (b) the activity has sufficient intellectual or practical content;
 - (c) the activity primarily deals with matters related to the provision of financial product advice, financial advice services and financial advice business;
 - (d) the activity is led or conducted by 1 or more persons who are appropriate, and have sufficient standing, expertise, academic qualifications and/or practical experience;
 - (e) the activity 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.
- (2) Paragraph (1)(d) does not apply to an activity that consists of professional or technical reading.
- (3) If a CPD activity is able to count across more than 1 CPD area, it may be counted as being in the CPD area to which it predominantly relates, as long as there is no double counting of hours.
- (4) Formal relevant education provided by an education provider, which may include any of the following:
 - (a) a degree or equivalent qualification approved under the *Corporations (Relevant Providers Degrees, Qualifications and Courses Standard) Determination 2018*;
 - (b) a course determined in a legislative instrument under paragraph 1546B(1)(b) of the Act;
 - (c) education or training provided or approved by a professional association;
 - (d) formal education or training study towards qualifications or designations relevant to practice as a relevant provider.

Item	Column 2 Content of CPD activity	Column 3 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.	Technical competence
2	The activity is designed to enhance participants' ability to act as a client-centric practitioner in advising retail clients.	Client care and practice
3	The activity is designed to enhance participants' understanding of applicable legal obligations and how to comply with them.	Regulatory compliance and consumer protection
4	The activity is designed to enhance participants' capacity to act as an ethical professional.	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

The minimum number of hours of qualifying CPD activities each relevant provider must complete during a CPD year is 40; the qualifying CPD activities must include:

- (a) A minimum of 5 hours in the CPD area of technical competence; and
- (b) A minimum of 5 hours in the CPD area of client care and practice; and
- (c) A minimum of 5 hours in the CPD area of regulatory compliance and consumer protection; and
- (d) A minimum of 9 hours in the CPD area of professionalism and ethics

At least 70% of the minimum hours must be spent on qualifying CPD activities approved by WWA

In any CPD year:

- (a) no more than 4 hours of an activity that consists of professional or technical reading; and
- (b) no more than 30 hours of activity referred to above as formal relevant education

may be counted towards a relevant provider's compliance with the determination

A relevant provider who leads or conducts a qualifying CPD activity may count the number of hours spent in the preparation and first delivery of the activity

Consistent with the determination, WWA's record-keeping requirements allow reciprocal access to CPD records; the relevant provider maintains a CPD register that is held on WWA's 'network' and WWA's employment agreements specify that employees have access to a copy of the employee's records when they cease employment

WWA will continue to utilise templates provided by the FPA for maintaining CPD plans and CPD registers

It is noted that records must be kept for seven years