

CPD Policy

BARON FINANCIAL GROUP PTY LTD

Company:	Baron Financial Group Pty Ltd
ACN:	148 090 528
AFSL:	514585
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SECTION A – INTRODUCTION

1. INTRODUCTION

- 1.1 As part of Baron Financial Planning's process to ensure that it continues to maintain the highest levels of professional integrity and ethical conduct, Baron Financial Group has adopted this CPD Policy ("**Policy**") for its Representatives who are relevant providers under the Financial Adviser Standards and Ethics Authority's ("**FASEA**") Corporations (Relevant Providers Continuing Professional Development Standard) Determination 2018 ("**Determination**").
- 1.2 This Policy has been developed in accordance with [Insert defined company name]'s Australian Financial Services Licence ("**AFSL**") and FASEA's Determination. This Policy outlines measures to ensure ongoing compliance with the monitoring, supervision, knowledge and training requirements outlined in the Determination.

2. WHEN DOES THIS POLICY APPLY?

- 2.1 This Policy applies to all Representatives of Baron Financial Group at all times and the requirements remain in force on an ongoing basis.
- 2.2 It is the responsibility of Senior Management, including the Compliance Officer and Director of Baron Financial Group to ensure that this Policy is communicated to and implemented by all Representatives of Baron Financial Group.
- 2.3 This Policy is published on Baron Financial Group's website and is accessible by all Representatives via the Head Office at 3/29 Boyd Street, Tweed Heads, NSW 2485.

3. DEFINITIONS

- 3.1 **Baron Financial Group Pty Ltd** means Baron Financial Group and any related bodies corporate that might exist from time to time.
- 3.2 **Representative** means any Baron Financial Group representative who provides personal advice to retail clients under Baron Financial Group's AFSL, is appointed as a sub-Authorised Representative of a Corporate Authorised Representative of Baron Financial Group's AFSL and listed on ASIC's Financial Adviser Register.

SECTION B – IMPLEMENTING TRAINING STANDARDS

4. KNOWLEDGE OF TRAINING REQUIREMENTS

- 4.1 Baron Financial Group recognises Representatives must be trained and receive continuous professional development ("**CPD**") relevant to their duties. The Principal/Director of Baron Financial Group is responsible for ensuring all Representatives undertake CPD activities.
- 4.2 The Compliance Officer / Principal must keep up to date in relation to the training requirements which apply to Baron Financial Group's business, including any changes to the FASEA Determination, legislation and regulations or industry standards and codes of conduct.

- 4.3 Prior to any appointment, the Compliance Officer / Principal, ensures each Representative holds the appropriate qualifications for their role, including any RG146 accreditation required. The Principal is satisfied the requirements are met by sighting documentation that evidences the Representative's education. This is then referenced against ASIC's Financial Advisers Register and ASIC's Training Register.

5. APPROACH TO IMPLEMENTATION

- 5.1 Baron Financial Group has a three-tiered approach to the implementation of this CPD policy.
- 5.2 **Tier 1 - Adviser led development:** Baron Financial Group expects its Representatives to drive their own development and ongoing professional education. In addition, Representatives are expected, at all times, to ensure they meet or exceed the standards and requirements set out in their CPD plans and the Determination.
- 5.3 **Tier 2 - Guidance and monitoring by Management:** Representatives are provided guidance on their development by the Compliance Officer / Principal. This guidance includes a CPD plan and ongoing coaching and supervision. The Compliance Officer / Principal also monitors the completion of training, progress towards annual CPD requirements.
- 5.4 **Tier 3 – Governance and accountability by Director:** The Director / Principal provides a governance and supervisory function by approving this Policy and reviewing Representatives' CPD quarterly progress reports and annual reports.

6. Baron Financial Group'S CPD YEAR

- 6.1 Baron Financial Group's CPD year runs from 1 January to 31 December.

SECTION C – CONTINUING PROFESSIONAL DEVELOPMENT

7. CONTINUING PROFESSIONAL DEVELOPMENT (CPD)

- 7.1 All Representatives must participate in the Baron Financial Group's professional development program in order to meet the requirements set out in the Determination. Training must be continuous, conducted at an appropriately high level and cover broad aspects of the authorisations and conditions of Baron Financial Group's AFSL as well as being specific to the Representative's role within the organisation.

8. CPD PLAN PREPARATION

- 8.1 Each Representative of Baron Financial Group must prepare a written CPD plan for each CPD year prior to the commencement of the CPD year and have it approved by the Compliance Officer / Principal.
- 8.2 Where the Representative has not been practising or authorised as a Representative for a continuous period of two (2) years or more as a result of a career break, the Representative must not resume acting as a Representative unless the Director / Principal of Baron Financial Group has approved their CPD plan for the following year. When approving the CPD plan, the Director / Principal must ensure the CPD plan addresses any gaps in the Representative's competence, knowledge and skills arising from the Representative's career break.

- 8.3 Where a Representative is appointed after the start of Baron Financial Group's CPD year, the CPD plan must be prepared no later than three (3) months after the Representative is appointed.
- 8.4 A CPD plan may be revised where a Representative's role changes or as considered necessary, provided the amendment receives written approval from the Compliance Officer / Principal.

9. CPD PLAN REQUIREMENTS

9.1 The CPD plan must identify areas for improvement in competence, knowledge and skills and professional development proposals for making those improvements. A template CPD plan is attached at Annexure 1 of this CPD Policy.

9.2 CPD plans must address how the Representatives will:

- (a) maintain knowledge and skills that are appropriate for their activities and responsibilities;
- (b) update their knowledge and skills, especially in areas where there is continual change (e.g. legislation, regulatory policies and standards, economic and financial developments, new financial products or new market practices);
- (c) develop new knowledge and skills to assist with their current role or roles contemplated in the near future, if applicable;
- (d) assess the Representative's training needs at least annually, in particular where the Representative's functions change;
- (e) identify gaps or weaknesses in the preceding year and the areas where training will be focused; and
- (f) set objectives to be met, such as the desired changes in the Representative's knowledge, skills and or performance at the end of the training year.

9.3 CPD Plans must also provide for Representatives to:

- (a) complete at least forty (40) hours of CPD activity in each training year, or where the Representative is working part time for the whole CPD year, complete at least thirty-six (36) hours of CPD activity in the training year;¹
- (b) ensure at least 70% of CPD activities are qualifying CPD activities (per section 10), approved by Baron Financial Group;
- (c) maintain a continuous, up to date and accurate record of their CPD activities via Jigsaw Support Services; and
- (d) provide records to Baron Financial Group in order for Baron Financial Group to meet its obligations (refer to section 12).

9.4 Representative training must fall within the following competency areas:

- (a) **Technical competence:** acting as a technically proficient professional;

- (b) **Client care and practice:** acting as a client centric practitioner;
- (c) **Regulatory compliance and consumer protection:** acting as a legal compliant practitioner; and
- (d) **Professionalism and ethics:** acting as an ethical professional.

9.5 All Representatives must complete a minimum number of hours from each competency category. The balance of hours must consist of qualifying CPD activities from these categories, or other categories selected by Baron Financial Group.

9.6 The minimum hours are as follows:

Competency Category	Minimum CPD hours per training year
Technical competence	5
Client care and practice	5
Regulatory compliance and consumer protection	5
Professionalism and ethics	9

10. QUALIFYING CPD

10.1 Section 7 of the FASEA Determination includes specific definitions of a range of terms in relation to CPD activities.

10.2 As defined by section 7(1) of the FASEA Determination, an activity is a qualifying CPD activity if all of the following requirements are met:

- (a) the activity:
 - (i) is in one of the CPD areas in the table in section 9.6;
 - (ii) has sufficient intellectual or practice content;
 - (iii) primarily deals with matters related to the provision of financial product advice, financial adviser services and financial advice business;
 - (iv) is led by a person who is appropriate and have sufficient standing, expertise, academic qualifications and practical experience; and
 - (v) is designed to enhance a Representative's knowledge and skills in areas that are relevant to the provision of financial product advice and financial advice services by Baron Financial Group.

10.3 Formal education includes:

- (a) a degree or equivalent qualification;
- (b) a course approved by FASEA;
- (c) education or training provided or approved by a professional association; and

- (d) formal education or training towards qualifications relevant to practice as a Representative.²

10.4 Non-formal education includes:

- (a) education for the purposes of achieving a relevant professional designation (for example: CFP);
- (b) education for the purposes of meeting requirements in specific financial advice provision (for example: SMSFs, aged care advice); and
- (c) education for the purposes of accreditation in specific forms of financial products relevant to the financial product advice and financial advice services provided by [insert defined company name].

10.5 Other CPD activities which [insert defined company name] may approve include:

- (a) conferences, workshops, professional development days which are relevant to the financial product advice and financial advice services provided by Baron Financial Group; and
- (b) professional or technical reading.

10.6 As required by section 7(1)(d) of the FASEA Determination, training and CPD activities must be provided by persons and/or entities that hold appropriate qualifications and experience, relevant to the training provided. In order to be included in a Representative's CPD plan, the CPD activities must be provided by and/or accredited by a recognised industry provider.

10.7 Requests for CPD activities to be added to a CPD plan which are not listed in the approved courses and providers in the table in section 11.1, are to be submitted to the Compliance Officer / Principal for review and approval. Activities and providers which are accredited by a recognised industry provider can be approved by the Compliance Officer / Principal without further investigation.

10.8 Where the CPD activity is provided by an independent provider (not a recognised industry provider), the Representative must seek approval from the Compliance Officer / Principal, prior to adding the CPD activity to their CPD plan. The Representative must provide evidence from the provider which indicates the applicable CPD hours and knowledge areas.

10.9 The Compliance Officer / Principal must make a determination whether to approve the CPD activity in accordance with the factors listed in section 10.1 and ensure the independent provider:

- (a) has relevant experience or education in the field they are training;
- (b) declares the learning outcomes;
- (c) is able to demonstrate how the content or training provided meets the learning outcomes.

² FASEA Determination section 7(4)

10.10 Baron Financial Group's Compliance Officer / Principal must also determine if the CPD activity is appropriate to the Representative's CPD plan having regard to the factors listed in section 9.1.

11. APPROVED TRAINING PROVIDERS AND ALLOCATION OF HOURS

11.1 Baron Financial Group has determined that the following industry providers are approved for the purposes of providing CPD activities:

CPD Type	Approved Courses/Providers	Allocation of Hours
Formal Education	<ul style="list-style-type: none"> A degree or qualification approved under section 5 of the Corporations (Relevant Providers Degrees, Qualifications and Courses Standard) Determination 2018 A course approved by FASEA Courses offered by the Financial Planning Association of Australia Courses offered by the Association of Financial Advisers 	<ul style="list-style-type: none"> Maximum of 30 hours 1 CPD point per hour*
Non-formal Education	<ul style="list-style-type: none"> Certified Financial Planner designation Fellow Chartered Financial Practitioner designation 	<ul style="list-style-type: none"> No limit
Other	<ul style="list-style-type: none"> Kaplan Professional, LAMP, Other product providers like TAL, AMP, ONE PATH, etc. 	<ul style="list-style-type: none"> Technical reading – maximum of 4 hours <ul style="list-style-type: none"> 0.25 CPD points per article. Maximum of 0.5 CPD points per publication. Webinars and Seminars maximum 8 CPD points.
Preparation and presentation of qualifying CPD activity	N/A	<ul style="list-style-type: none"> Maximum – the number of hours in preparation and first presentation only.
<p>*Events associated with a conference or seminar are not included in calculating CPD points, e.g. morning tea, lunch, dinner or networking sessions are not included. CPD points must only be awarded to conference sessions, such as speaker presentations.</p>		

12. RECORDING CPD ACTIVITIES

12.1 [insert defined company name] and all Representatives must ensure records of the following matters are kept:

- (a) the CPD activities undertaken by the Representative;
- (b) the date on which the CPD activities are undertaken;
- (c) the number of hours spent on each CPD activity;
- (d) evidence of completion of the CPD activity and the outcomes of the activity; and
- (e) the progress of implementation of the CPD plan.

12.2 Records of CPD activities are kept electronically. Baron Financial Group engages Jigsaw Support Services to provide training and CPD activities. Jigsaw's Support system maintains a list of CPD activities which are completed by each Representative and the outcomes achieved. It is the responsibility of each Representative to ensure their records are accurate and up to date.

12.3 Where any CPD activity is completed outside of Jigsaw Support's system, these activities need to be submitted to the Principal for approval in accordance with section 10. The request must include details of the session, confirmation of attendance and a summary of learning outcomes. Records of CPD activities completed outside Jigsaw Support's system must be provided to Baron Financial Group's upon request.

12.4 Baron Financial Group's Compliance Officer / Principal must conduct quarterly reviews of the records of training completed via Jigsaw Support Services to ensure the professional development requirements for all Representatives are complied with and make recommendations where applicable.

SECTION E – CONCLUSION

13. REVIEW OF COMPLIANCE WITH THIS POLICY

13.1 Baron Financial Group monitors progress towards the completion of CPD plans on at least a quarterly basis. Records are continually updated.

13.2 The Compliance Officer / Principal is responsible for:

- (a) reviewing the progress of each Representative in relation to their CPD plan on a quarterly basis and reporting any deficiency to the Representative affected and the Director / Principal in writing.
- (b) liaising with all Representatives to update their plan on at least an annual basis after an assessment of the areas for improvement in competence, knowledge and skills, including any gaps in training and the areas which need to be targeted;
- (c) ensuring at least 70% of the CPD activities included in the CPD plan are spent on qualifying CPD activities approved by Baron Financial Group;

- (d) ensuring all Representatives have access to appropriate resources and opportunities to enable the Representative to prepare and complete their CPD plan and CPD activities;
- (e) deciding the structure of the continuing training program (including nominating the training methods);
- (f) assessing whether the Representative has met the objectives of the training program in the preceding year; and
- (g) providing feedback sessions with the Representative about their performance.

13.3 CPD records are audited on an annual basis by Baron Financial Group's external compliance consultant. A copy of the report provided by the external compliance consultant is provided to the Director / Principal.

13.4 This Policy is assessed on an annual basis by the Compliance Officer / Principal and any changes will be recommended to the Director / Principal. Any approved changes to this Policy will be communicated to all Representatives of Baron Financial Group and the latest version of the Policy will be published on Baron Financial Group's website.

13.5 Oversight of the CPD plans is the responsibility of the Compliance Officer / Principal.

14. POLICY BREACHES

14.1 Breaches of this Policy may lead to disciplinary action being taken against the relevant party, including dismissal in serious cases.

14.2 Representatives receive internal training on compliance and their regulatory obligations to Baron Financial Group. Representatives are also encouraged to respond appropriately to and report all breaches of the law and other incidents of non-compliance, including [Insert defined company name]'s policies in accordance with Baron Financial Group's Breaches and Incidents Reporting Policy.

15. RETENTION OF FORMS

15.1 The Compliance Officer / Principal retains all records referred to in this Policy for seven (7) years in accordance with Baron Financial Group's Document Retention Policy. The completed forms are retained for future reference and review.

15.2 As part of their training, all Representatives are made aware of the need to practice thorough and up to date record keeping, not only as a way of meeting Baron Financial Group's compliance obligations, but as a way of minimising risk.

Issued by: Baron Financial Group Pty Ltd

1 January 2020

APPENDIX 1 – TEMPLATE TRAINING PLAN

Representative's CPD PLAN

LICENSEE:	<i>Baron Financial Group Pty Ltd, AFSL 514585</i>
NAME:	<i>[Name of Representative]</i>
CPD YEAR:	<i>1 January 2020 – 31 December 2020</i>
DATE PREPARED:	<i>[Insert date of CPD plan]</i>
REVIEW DATE:	<i>[Insert review date]</i>

This CPD plan has been developed for you based on a number of factors as described in section 8 of [insert defined company name]'s CPD Policy, and identifies areas for improvement in competence, knowledge and skills and professional development proposals for making those improvements.

CPD REQUIREMENTS	
CPD Category	Description
Technical competence	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.
Client care and practice	The activity is designed to enhance participants' ability to act as a client-centric practitioner in advising retail clients.
Regulatory compliance and consumer protection	The activity is designed to enhance participants' understanding of applicable legal obligations and how to comply with them.
Professionalism and ethics	The activity is designed to enhance participants' capacity to act as an ethical professional.
General	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.

OBJECTIVES TO BE MET

You are required to undertake a minimum of 40 hours of CPD activities in each CPD year (12 months). Where you work part-time, you are required to complete a minimum of 36 hours of CPD activities in each CPD year. Part-time Representatives must have consent from the Director.

CPD points for completed training cannot be carried forward from one CPD year to the next. CPD points must be earned in the CPD year. This is to ensure you stay up to date with issues relating to the provision of financial services. Representatives must ensure CPD points are only counted once in a CPD year.

Once fully completed and signed off, this form is to be filed in the compliance folder. The form will be retained for seven (7) years and may be used in subsequent test checking of compliance with our process controls and for other legal and compliance purposes.

CPD PLAN		
REPRESENTATIVE'S ROLE:	<i>[Insert a description of the Representative's current role (including relevant product areas)]</i>	
OBJECTIVES TO BE MET:	<i>[Insert a description of the objectives to be met by the Representative during the CPD year]</i>	
AREAS FOR IMPROVEMENT, DEVELOPMENT OR EXTENSION:	<i>[Insert a description of the areas where the Representative could improve, develop or extend their knowledge, skills and competence]</i>	
GAPS OR WEAKNESSES:	<i>[Insert a description of any gaps or weaknesses in the Representatives knowledge, skills or competence]</i>	
CPD CATEGORY	CPD ACTIVITY	CPD POINTS
Technical competence	<ul style="list-style-type: none"> <i>[insert proposed CPD activities]</i> 	<ul style="list-style-type: none"> <i>[insert proposed number of CPD points for each CPD activity]</i>
Client care and practice	<ul style="list-style-type: none"> <i>[insert proposed CPD activities]</i> 	<ul style="list-style-type: none"> <i>[insert proposed number of CPD points for each CPD activity]</i>
Regulatory compliance and consumer protection	<ul style="list-style-type: none"> <i>[insert proposed CPD activities]</i> 	<ul style="list-style-type: none"> <i>[insert proposed number of CPD points for each CPD activity]</i>
Professionalism and ethics	<ul style="list-style-type: none"> <i>[insert proposed CPD activities]</i> 	<ul style="list-style-type: none"> <i>[insert proposed number of CPD points for each CPD activity]</i>
General	<ul style="list-style-type: none"> <i>[insert proposed CPD activities]</i> 	<ul style="list-style-type: none"> <i>[insert proposed number of CPD points for each CPD activity]</i>

QUARTERLY PROGRESS REVIEW

NAME:	<i>[Name of person performing the review]</i>	
POSITION:	<i>[Position of person performing the review]</i>	
Q1 PROGRESS:	<i>[Provide comments in relation to the progress of the Representative's compliance with the CPD plan; and any proposed amendments to the CPD plan.]</i>	DATE: <i>[Insert date of review]</i>
		SIGNED:
Q2 PROGRESS:	<i>[Provide comments in relation to the progress of the Representative's compliance with the CPD plan; and any proposed amendments to the CPD plan.]</i>	DATE: <i>[Insert date of review]</i>
		SIGNED:
Q3 PROGRESS:	<i>[Provide comments in relation to the progress of the Representative's compliance with the CPD plan; and any proposed amendments to the CPD plan.]</i>	DATE: <i>[Insert date of review]</i>
		SIGNED:

ANNUAL REVIEW AND ASSESSMENT	
NAME:	<i>[Name of person performing the review]</i>
POSITION:	<i>[Position of person performing the review]</i>
COMMENTS:	<i>[Provide comments in relation to the annual review of the Representative's compliance with the CPD plan; and training needs for future CPD plans.]</i>
DATE:	<i>[Insert date of review]</i>
SIGNED:	