

# Stockbrokers

And Financial Advisers MONTHLY

FEBRUARY 2018  
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MEMBERSHIP  
EVENTS  
EDUCATION  
POLICY &  
REGULATORY ISSUES



FINANCIAL ADVISER QUALIFICATIONS:

**Proposed guidance  
published**



Stockbrokers  
And Financial Advisers  
Association Limited



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## Board trip to Canberra

The Association's board met with Treasury and Government and Opposition reps on 6th & 7th February in Canberra. Meetings included sessions with the Hon. Kelly O'Dwyer MP and the Hon. Chris Bowen MP, as well as senior Executives in Treasury. In each meeting, we had quality time with the appropriate decision makers.

Two key issues we raised are worth mentioning. These related to Professional Standards for Existing Advisers, and ASIC Cost Recovery.

On Professional Standards for existing advisers, we were able to demonstrate the draconian nature of the new education requirements by way of pointing out that none of SAFAA's Directors present in the meetings would have met the criteria set by FASEA – degrees held were either too old, not from an approved university or did not contain relevant financial planning subjects.

Given that the 3,000 or so Stockbrokers And Financial Advisers employed by Market Participants advise on listed securities and don't provide advice on financial planning, it seems futile to require them to study financial planning.

In fairness to the standard setting body FASEA, their guidance is open to consultation and this is the start of a long journey. We will be consulting with them closely and helping them raise standards, especially where those standards have been found wanting.

If you look at complaints to FOS in the year to June 30, 2017, there were 39,479 complaints in total. Of these, only 132 related to stockbroking, and only eight were decided in favour of the claimant. And this is in the context of more than 1.5 million transactions on the exchanges each day!

With respect to ASIC Cost Recovery, we argued that the costs of the

Enforcement Special Account, and the fines levied, should be excised from the ASIC Industry Funding Model.

Tens of millions of dollars were collected from some of the major banks following the BBSW actions. The cost of prosecuting these actions, and the fines, should really come out of the cost recovery bucket. A strong reason for this is that industry has no say over what actions will be brought. So let ASIC bring whatever actions they wish, pay the costs out of consolidated revenue, and direct the fines into consolidated revenue.

## Preparations for 2018 annual conference

With the return of volatility to financial markets, our annual conference will be the perfect venue for the discussion on active versus passive. In one corner we will have Geoff Wilson from WAM talking up the benefits of active fund managers, and in the other we will have Craig Lazzara from S&P Dow Jones Indices talking about the relative merits of passive investing.

We will also have specialist breakout sessions for our tax Financial Advisers.

The dates for the conference are May 23rd & 24th at the Crown Promenade in Melbourne.

So bookmark the date and get ready to buy your tickets when they go on sale in March.

## From DeakinCo to The College

After a lifetime of service to members, we are switching our education partner/provider from DeakinCo to The College RTO, at Western Sydney University.

The College RTO will be administering our Accreditation programs from 1 March 2018.



Andrew Green

Sadly, this sees us saying goodbye to DeakinCo.

DeakinCo have been a wonderful partner for SAFAA and we will remain firm friends. Our records show that more than 10,000 students have enrolled for our education accreditations administered by DeakinCo since 2002.

Under the new agreement with The College RTO at Western Sydney University, candidates will continue to enrol through our website. Once candidates have enrolled they will be sent their materials electronically along with instructions on how to sit their assessment/s. Any help candidates require will be a phone call or email away. There will be no fee increases because of this change.

## New Qualifications for Existing Advisers

We have developed a brand-new 12 unit course with Western Sydney University, the Masters in Stockbroking and Financial Advising.

Nested within the Masters Program are Grad Cert (4 units) and Grad Diploma (8 units.)

Both the Grad Cert and Grad Diploma are at AQF Level 8, which is higher than a degree (AQF Level 7)

Watch this space for further details and the launch date. ■

# Find out what Market Manipulation and Insider Trading is all about

**INCREASE YOUR INDUSTRY KNOWLEDGE TODAY**

## **MARKET MANIPULATION**

This half day workshop will cover an in-depth examination of what constitutes market manipulation and other prohibited market conduct. It is designed to suit the needs of market professionals, both front and back office.

## **INSIDER TRADING**

This workshop provides a thorough analysis of the subject of Insider Trading and related issues in a Stockbroking and investment banking context. It is designed for sales staff/ client representatives; proprietary traders; research analysts; investment banking; compliance and legal; and regulatory staff.

**CLICK HERE** to register...



# Sell Side Research – ASIC releases its Regulatory Guide RG 264

**O**N THE EVE of Christmas, ASIC released its foreshadowed Regulatory Guide 264 on the subject of Sell Side Research.

ASIC RG 264 sets out ASIC's concluded guidance on the subject, after the consultation (which included CP 290) carried out during 2017.

RG 264 deserves close consideration by Licensees and staff, to compare their practices with what ASIC has set out in its Guidance. Parts of RG 264 are a restatement of what is already well known or contained in law, so should not be contentious. Also, being Guidance, it is not regulation, so firms should consider the grounds that might justify any departure from what ASIC is saying that it expects.

ASIC has confirmed its earlier indications, that it would not be consolidating the relevant parts of RG 79 and RG 181, which also deal with the same issues to various degrees. Therefore, there will now be three ASIC RG's covering the similar issues in relation to research analysts. This is not a streamlined outcome, in our view.

Some key features of RG 264 include:

- The **definition of research**. The breadth of this had been a concern in CP 290, as it would have covered sales desk notes. The definition has been narrowed somewhat, but still covers sales notes that are not merely a summary or extract of another research report. To be exempt, sales notes also must contain certain mandatory content.
- **Inside information** – there is a section dealing with inside information and the legal requirements, and processes ASIC expects Licensees to have in place for its management. ASIC sets out expectation in relation to wall cross-

*RG 264 deserves close consideration by Licensees and staff, to compare their practices with what ASIC has set out in its Guidance. Parts of RG 264 are a restatement of what is already well known or contained in law, so should not be contentious. Also, being Guidance, it is not regulation, so firms should consider the grounds that might justify any departure from what ASIC is saying that it expects.*

ing procedures, which includes written acknowledgment by the analyst every time they are wall crossed.

- Requirements for requests to access a research **analyst model**, and what should not be in the model. It is noted that in this section of RG 264, ASIC uses the word “may” in relation to the guidance it gives.
- ASIC has divided its guidance on deal-related research into 3 categories: (i) pre-solicitation (ii) transaction pitching; and (iii) post-appointment.
- Research should not be used or promised in order to secure a corporate advisory mandate, as this will be considered a conflict on the part of the Licensee
- **Pre-solicitation** – ASIC acknowledges that analyst input may be appropriate at this stage, given that they are subject matter experts. This can include the discus-

sion of valuation, subject to some guidelines that are set out.

- **Pitching stage** – research analysts must not communicate or discuss the issuer or potential transaction with the Licensee's corporate advisory team or with the issuer/its advisers unless the analyst has been wall crossed until completion of the transaction. ASIC considers the pitching stage to be over once it is clear that the transaction will not proceed.
- **Investor education research (IER)**. RG 264 contains a somewhat interesting discussion of IER issues. ASIC provides a general guideline that valuation information in IER should be expressed as an enterprise or total value for the issuing company. ASIC states that IER should contain an attestation from the research analyst that their opinions have not been influenced by corporate advisory or the issuer
- **Post appointment**. There is a section detailing restrictions on the interaction between research and corporate advisory in the post-appointment stage. This includes limiting discussions to administrative matters. Such interaction should be overseen by compliance or other control function.
- Post appointment, the issuer may not seek or pass on information regarding valuation from/to the analyst. The Research analyst is not to communicate views on the



issuer, the transaction, or valuation, before this is widely distributed to investors.

- Research analysts working for different JLM's are not to interact in relation to the issuer or share or discuss each other's opinions.
- **Review of IER.** The issuer and its advisers may only review IER for fact and legal checking, and only after valuation information has been redacted.
- **Meetings with Investors.** ASIC considers that the role of the research analyst is to provide information to investors, not to market the transaction as an investment

opportunity. Research and sales staff may attend such meetings, but not corporate advisory staff. Research analysts should not attend "management roadshows", as ASIC views this as compromising analyst independence.

- ASIC Guidance requires compliance or another control function to manage and monitor many of the processes set out in RG 246.
- Structure and Funding of research. There is a section dealing with this, including decisions on initiation of coverage. ASIC makes it clear that corporate advisory staff should not be involved, nor staff "holding

an investment in the company".

There is no materiality threshold mentioned for such a holding.

RG 246 represents ASIC's final thoughts on the issues, and is not the subject of any further consultation. That said, if there are any issues identified in the final terms of RG 246, SAFAA will take these up with ASIC or seek further clarification. We welcome feedback from members on the RG. ■

## Royal Commission gets under way



**T**HE ROYAL Commission into the Banking, Superannuation and Financial Services Industry, has commenced its work. An initial Public Hearing is to be held on 18 February in Melbourne.

The Commission has invited submissions from any individual or entity wishing to tell the Commission about misconduct in the Banking, Superannuation or Financial Services Industry. The submissions are required using an Online Form on the Commission's website.

The Terms of Reference for the Royal Commission are extremely

wide, referring as they do to "financial services entities".

SAFAA has commented publicly that the Royal Commission should not focus on the stockbroking industry, in the light of the high standards that the industry must comply with and the very low levels of client disputes experienced. ■

## ASX Proposals for Trading Status updates

**I**N DECEMBER, ASX issued a Consultation Response on the question of establishing an independent FIX gateway for disseminating updates to individual security trading status. This was in order to remove interdependencies between ASX's Listing operations, and ASX Trade, so that the former are not impacted by any ASX Trade outages, such as have been experienced on occasion.

Members may recall that ASX consulted on this question earlier in 2017. This grew out of recommendations made to Market Operators by ASIC in its Report on Market Outages.

ASX has now advised that it is proposing to use the FIX Gateway for messaging updates to trading status. Firms will need to undertake the necessary system changes to ensure

that they are aware of any changes to trading status, and comply with restriction on trading in cases where securities are in suspense.

ASX is proposing to go live in 2Q 2018. Technical specifications for the FIX gateway have been completed and are available. ■

# External Dispute Resolution (EDR) Review – Supplementary Final Report issued

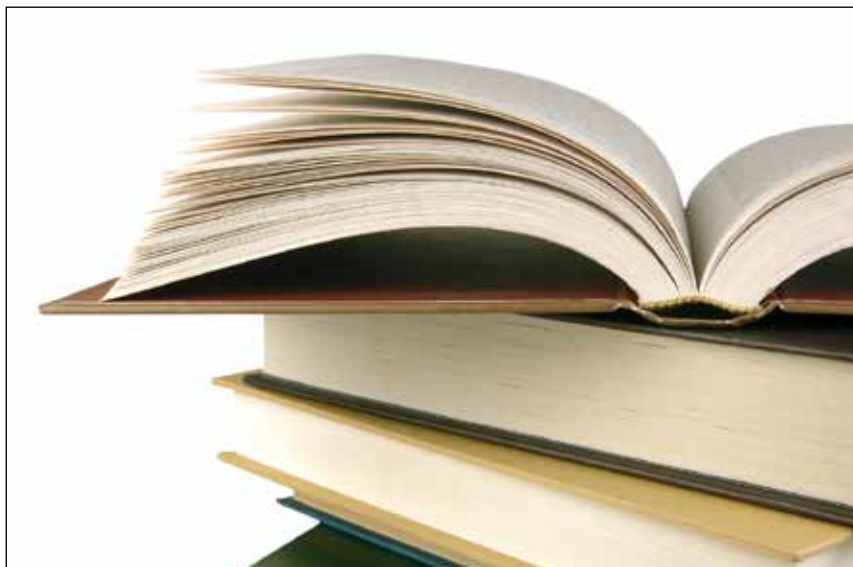
**O**N 21 DECEMBER 2017, the Minister for Revenue and Financial Services issued a Press Release announcing that the Supplementary Final Report of the External Dispute Resolution Panel, chaired by Professor Ramsay, had been received by the Government.

The Supplementary Final Report dealt with the Amended Terms of Reference for the EDR Panel, namely, recommendations on a Compensation Scheme of Last Resort (CSLR), and consideration of the issues involved in providing consumers with a scheme to provide access to redress for past disputes.

The Minister announced that any response by the Government to the Recommendations in the Supplementary Final Report would be put on hold pending the outcome of the Royal Commission into Financial Services, which would be looking into some of the same issues as part of its own Terms of Reference.

In its 217 page Supplementary Final Report, the EDR made a number of recommendations, including:

- the introduction of a “limited and carefully targeted” CSLR;
- the CSLR to apply to future unpaid compensation arising after the CSLR is set up;
- the CSLR to apply to parts of the financial services sector where there is a “significant problem of compensation not being paid”. Initially, this will be the financial advice sector, where a financial adviser has given personal or general advice to a consumer or to small business;



- there should be a compensation cap applying to payments under the CSLR;
- the CSLR should be governed by an independent board with equal numbers of directors from industry and consumer backgrounds.

On the question of funding, the EDR Panel recommended that the CSLR should be funded by “firms who provide the types of services covered by the scheme”. Needless to say, some form of levy on firms can be expected. The Panel recommends that this be an AFSL Licence condition.

On the question of legacy unpaid determinations (approximately \$15 million, according to the Panel), the Panel concluded that there was a strong case for these determinations to be paid, however it may not be appropriate or desirable for current industry participant who had

done no wrong to be called upon to fund those payments. The Panel has left it to Government to identify a source of funds to pay the legacy determinations.

On the question of a scheme to provide access to redress for disputes that were not brought (for example, where a firm had already gone into liquidation), the Panel concluded that there was merit in introducing such a scheme. A number of complex issues were identified in setting up the Terms and funding for such a scheme. A number of alternative approaches are canvassed in the Report. ■

**SUBMISSIONS** | Members can view submissions at [www.stockbrokers.org.au](http://www.stockbrokers.org.au)

**POLICY ENQUIRIES** | Peter Stepek, Policy Executive, [pstepek@stockbrokers.org.au](mailto:pstepek@stockbrokers.org.au)



# Committee News

Recent and upcoming meetings of the Stockbrokers And Financial Advisers Association - Committees, Working Groups and Advisory Panels:

## **Board Meeting, Tuesday 6 February 2018**

Chair: Karl Morris MSAFAA, Ord Minnett

## **Institutional Broking Committee Meeting, Tuesday 13 February, 2018**

Chair: Murrough O'Brien MSAFAA, Liquidnet Australia

## **Cyber Working Group Meeting, Thursday 15 February, 2018**

Chair: Melissa Nolan MSAFAA, Baillieu Holst

## **Profession Committee Meeting, Wednesday 21 February, 2018**

Chair: Andrew Fleming MSAFAA, Tynan Partners

## **Retail Broking Committee Meeting, Tuesday 27 February, 2018**

Chair: Dean Surkitt MeSAFAA, Bell Potter Securities

## **Women In Stockbroking Working Group Meeting, Tuesday 27 February, 2018**

Chair: Morana Hunter

## Getting your review and remediation right

This 2 hour workshop to be held in Sydney and Melbourne will add value not just to those who have a current need to put a remediation/review program in place, but also to those who may wish to know how the licensee assesses whether a program is required.

[CLICK HERE](#) for further information







An exciting change we would like to share with you is that your Association  
is moving to a new education provider/partner –

### **THE COLLEGE RTO, AT WESTERN SYDNEY UNIVERSITY.**

The College RTO will be administering our Accreditation programs from 1 March 2018.

This sees us saying goodbye to DeakinCo who have been administering our Accreditation programs. DeakinCo have been a wonderful partner for SAFAA and we will remain firm friends.

What does this mean for you?

Well..... it's business as usual.

Candidates will continue to enrol directly through SAFAA, through our website. Once candidates have enrolled they will be sent their materials electronically along with instructions on how to sit their assessment/s. Any help candidates require will be a phone call or email away. There will be no fee increases as a result of this change. Prices will remain the same.

**Please contact us on [education@stockbrokers.org.au](mailto:education@stockbrokers.org.au) if you require further information.**



# FINANCIAL ADVISER QUALIFICATIONS: Proposed guidance published

By Guy Griffin

Existing financial advisers providing advice on Tier 1 financial products, and new entrants, will need to comply with the new professional standards regime, commencing on 1 January 2019. The Financial Adviser Standards and Ethics Authority (FASEA) has published proposed guidance for existing advisers and intending new entrants on the compulsory education requirements, in advance of the release of a formal consultation program and tools, during 2018.

**GRC**  
solutions

**FASEA, ESTABLISHED** in April 2017, is responsible for governing the conduct of professionals in the financial advice sector through mandatory educational and training requirements an industry exam, and creating a Code of Ethics that all advisers will be required to follow.

FASEA will be seeking stakeholder views on the practical application of its proposed guidance. A Consultation Framework will be released

shortly and will remain open until 29 June 2018. The draft guidance is being circulated by FASEA as a “heads-up” to stakeholders, in advance of the release of a formal Consultation Framework.

The following summary of the draft guidance will be relevant to financial services providers and their representatives who provide personal advice to retail clients on complex Tier 1 financial products. Businesses that only provide advice on basic

banking products, general insurance products, consumer credit insurance (or a combination of these) will not be required to comply with the new regime.

## Existing Tier 1 financial advisers

FASEA proposes that for existing advisers to meet their education and training standards obligations they must:

1. have already satisfied the requirements if they hold an approved qualification (i.e. one that is on the FASEA/FPEC approved register); or
2. have completed, by 1 January 2024, an AQF7 qualification that is an approved qualification (i.e. one that is on the FASEA/Financial Planning Education Council approved register); or
3. completed, by 1 January 2024, a course that offers at least 8 units/courses, at AQF level 8, covering fields that include: ethics, professional attitudes and behaviours financial planning and advice process technical requirements

## What does this mean?

AQF in this context means The Australian Qualifications Framework. This is the policy for regulated qualifications in the Australian education and training system. All regulated qualifications are described in accordance with a level (e.g. AQF 1 through to AQF 10).

A bachelor degree is identified at the level of AQF7, and a post-graduate diploma at the level of AQF8. A post-graduate diploma typically takes two years part-time to complete. Admission into an AQF8 program for people without prior AQF7 (or higher) qualifications will typically require at least five years' experience and may also require completion of a potential Graduate Certificate.

On 26 October 2017, the Standards Authority adopted the Financial Planning Education Council (FPEC) framework for approval of courses and programs at the level of AQF7 Bachelor Degree (made up of 24 courses, of which 12 would be core).

## Other qualifications

Category A qualifications are currently the only qualification that FASEA has determined so far will satisfy the education and training standards requirement.

Approval of all other courses (qualifications) will be required. In the

interim, approval will continue under the joint FASEA/FPEC framework until such time as the FASEA Standard on Qualifications Accreditation is released, anticipated to be before the end of 2018.

FASEA will maintain the register of all approved qualifications. Courses are currently available and will progressively become available and listed on the FASEA/FPEC approved qualifications register. The FPEC register has been in existence since 2011.

There are however, concessions in the guidance for advisers who have previously undertaken a qualification at AQF7 or above, that is not within Category A and on the FASEA/FPEC approved register, but is titled as a Financial Planning/Advice qualification (or has a recognised major in financial planning/advice). In these circumstances advisers may choose to:

- Undertake an approved qualification before the compliance date of 1 January 2024; or
- Undertake an approved bridging course before the compliance date of 1 January 2024; or
- Approach an approved education provider to make up those studies through individual unit study.

FASEA has not yet approved any bridging course options, but expects these courses will become available from curriculum providers, from 2019. Recognition of Prior Learning (RPL) options may apply for the completion of CPD and other education courses by experienced advisers. Currently, RPL is a matter of individual policy for each Higher Education provider. FASEA intends to review RPL practices and will issue further guidance in the future.

## New entrants

The first Standard issued by FASEA is the degree requirement pathway for new entrants, from January 2019. New entrants will be required to obtain:

An AQF7 Bachelor degree (made up of 24 courses, of which up to 12

courses will be core) covering fields that include:

- ethics
- professional attitudes and behaviours
- financial planning and advice process technical requirements

## Comment

The proposed FASEA/FPEC standards framework is a first step towards providing financial institutions and advisers with some certainty around the pathways to meeting the new professional standards framework by 2024.

The framework will have some flexibility built in for financial advisers for whom meeting an AQF7 level requirement (full-time or part-time study for a bachelor degree) is not an option. Those advisers can meet the new requirements by completing a postgraduate diploma, at Australian Qualifications Framework (AQF) level 8, which for some may take up to two years of part-time study.

Advisers with no relevant qualifications but with sufficient experience may be able to rely on RPL options and step up to the AQF level 8 pathway by completing a postgraduate certificate program first, which typically takes one year of part-time study and has four units of study. ■

### ABOUT THE AUTHOR



Guy specialises in financial services and credit licensing compliance. His other areas of practice include prudential risk and compliance for ADIs and advising on all aspects, legal and

non-legal, of effective board governance for ADI directors. He has wide experience in delivering workshops at high levels in these areas. For further information, visit <http://grcsolutions.com.au/CPD> or email [contactus@grcsolutions.com.au](mailto:contactus@grcsolutions.com.au)



# Making tax-deductible contributions

By Peter Grace

Just about every employee receives Superannuation Guarantee contributions currently at the rate of 9.5% of ordinary time earnings. These are concessional contributions because the employer can claim a tax deduction for the contribution. A tax-deductible contribution is taxed at 15% in a superannuation fund.

For an employee who has a taxable income over \$20,450 a SG contribution (taxed at 15%) will be more tax effective than an extra dollar of income taxed at 19%.

## Salary sacrifice for employee

Many employers allow their employees to make extra pre-tax contributions by salary sacrifice. For employees on incomes up to \$250,000 this can be a very tax effective option because the contribution will be taxed at 15% in the super fund rather than at the employee's marginal tax rate (up to 45% plus the Medicare levy).

For employees earning over \$250,000, an extra 15% tax (the s293 tax) applies reducing the tax effectiveness.

Issues to consider when entering into a salary sacrifice arrangement, are:

- Salary sacrifice contributions can only apply to future income not income that has already been received.
- The employee must have sufficient after-tax income to meet living expenses.
- The employer continues to pay the SG on the pre-salary sacrifice salary.
- Other employee benefits (such as long service leave or on redundancy) use the pre-salary sacrifice salary.
- Salary sacrifice contributions will



usually count in the income based eligibility rules for social security benefits, tax deductions and child support.

Of course, fund members must also take care that their total concessional contributions (including SG) remain under the annual cap (currently \$25,000)

## What about non-employees?

Until 1 July 2017, complex rules applied for people not in an employment relationship (such as the self-employed) to make tax-deductible contributions. Now, anyone who is eligible to make a contribution can claim a tax-deduction for the contribution.

Once they have made the contribution, they need to formally notify the fund trustee that they intend to claim a tax deduction. The trustee will acknowledge the notification and deduct 15% tax from the contribution.

Both employees and non-employ-

ees alike can make tax-deductible contributions in this way. One advantage of the arrangement is that the contributor is in control of the amount and timing of the contribution rather than relying on their employer (if they have one).

Contributors should be aware that:

- It is not tax-effective to make a tax-deductible contribution that brings their taxable income below \$20,542.
- Tax-deductible contributions will usually count in the income based eligibility rules for social security benefits, tax deductions and child support.
- It is not tax-effective to make concessional contributions (including SG) above the annual cap (currently \$25,000)

Registered tax agents will be able to advise members on the tax effectiveness of making tax-deductible contributions. ■

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**Our RG146 Superannuation course** is highly recommended for anyone who advises on securities in self managed or other superannuation funds. Each month we will be publishing a short article covering a current superannuation topic written by Peter Grace the author of the course. Peter can be contacted on [wordsandtraining@bigpond.com](mailto:wordsandtraining@bigpond.com)



# ACCREDITATION & TRAINING February, March & April 2018

|   |  |   |
|---|--|---|
| Responsible Executive (RE) Series Workshops | <b>RE REFRESHER – 4 CPD (COMPLIANCE)</b><br><p>This workshop provides a refresher on the requirements applicable to REs and reviews some of the main topics in The ASIC Market Integrity Rules (ASX Markets) 2010 and/or The ASX Clear Operating Rules (Clearing &amp; Settlement) Responsible Executive Examination. Intended as a refresher course for existing REs who have already passed the Exam(s), this workshop could also be of interest to potential REs. Topics include RE Management &amp; Supervision Requirements (&amp; ASIC RM comparisons); Capital Adequacy, Records, Trust; Dealing &amp; Client relations rules; Disciplinary Processes; Corporations Act requirements.</p>   | SYD: Tues 27 Feb   9:00am – 1:00pm  |
|   | <b>RE EXAM PREPARATION COURSE – 10 CPD (COMPLIANCE)</b><br><p>This 2 x 3-hour intensive workshop (conducted over 2 days) covers the ASIC/ASX Markets &amp; ASX Clear (Clearing &amp; Settlement) RE exam syllabus in detail, ensuring that candidates are well prepared for the exam(s) and know what to expect on the day, with sample questions and a practice exam.</p>   | MELB: Tues 13 & Wed 14 March   9:30am – 12:30pm<br>SYD: Mon 26 & Tues 27 March   9:00am – 12:00pm |
|   | <b>RE EXAM PREPARATION ‘SHORT COURSE’ – 4 CPD (COMPLIANCE)</b><br><p>This 4-hour intensive workshop is a condensed version of the Stockbrokers And Financial Advisers Association 2-day RE Exam Preparation Workshop. It covers The ASIC Market Integrity Rules (ASX Markets) 2010 and/or The ASX Clear Operating Rules (Clearing &amp; Settlement) Responsible Executive exam syllabuses in detail, with 7 subject areas and 2 assessments during class time.</p>   | MELB: Mon 12 Feb   9:30am – 1:30pm<br>SYD: Mon 26 Feb   9:00am – 1:00pm                           |
| Professional Development Workshops          | <b>MARKET MANIPULATION AND OTHER PROHIBITED CONDUCT – 4 CPD (COMPLIANCE)</b><br><p>This workshop covers an in-depth examination of what constitutes market manipulation and other prohibited market conduct. Involving a mix of presentation and scenario-based discussion, it is designed to suit market professionals, both front and back office, including: Sales staff/client representatives; Proprietary Traders; DTRs; Investment banking; Settlement staff; and Compliance &amp; Legal.</p>   | SYD: Thurs 15 Mar   9:00am – 12:00pm<br>MELB: Mon 26 Mar   1:30pm – 4:30pm                        |
|   | <b>INSIDER TRADING – 4 CPD (COMPLIANCE)</b><br><p>This workshop provides a thorough analysis of Insider Trading. Topics include: elements of insider trading; statutory defences; insider trading and continuous disclosure; front running; dealing with rumours; management of confidential information; how to protect yourself, including Chinese walls, internal processes; and consequences of insider trading breaches. The Workshop is designed for sales staff/client representatives; proprietary traders; research analysts; investment banking; compliance and legal; and regulatory staff.</p>   | MELB: Thurs 8 Mar   1:30pm – 4:30pm<br>SYD: Tues 13 Mar   9:00am – 12:00pm                        |
|   | <b>REVIEW &amp; REMEDIATION – 2 CPD (COMPLIANCE)</b><br><p>This 2 hour workshop will cover the key components of review and remediation. The aim of review and remediation is to place the affected client in the position they would have been in had misconduct not occurred. This is an important area - to be ready and prepared to address complaints and issues that can arise from potential misconduct or deficient advice. The workshop will be of interest to all AFS licensees, no matter the size of the licensee. It will have value not just to those who have a current need to put a remediation/review program in place, it will also cover how the licensee assesses whether a program is required.</p>  | SYD: Thurs 22 Mar   12:00pm – 2:00pm<br>MELB: Tues 27 Mar   12:00pm – 2:00pm                      |
|   | <b>A DAY IN THE LIFE OF A TRADE – 2 CPD (COMPLIANCE)</b><br><p>This 2.5 hour short ‘course in operations’ focuses on the evolution of share and derivative trades from order placement through to execution to settlement (and later exercise/expiry where relevant) and reporting requirements. Designed for new or unfamiliar starters in the Industry or Markets, this workshop provides a comprehensive overview of the market and operational process. It provides an excellent foundation for retail desk assistants and would suit as a refresher for experienced staff as well as those staff in auxiliary and rotating roles: legal, IT, HR and other supporting roles associated with stockbroking. There is no assumed knowledge for participants of this workshop.</p> | SYD: Thurs 8 Mar   9:00am – 11:30am<br>MELB: Wed 14 Mar   2:00pm – 4:30pm                         |
|   | <b>CONDUCT RISK – 1.5 CPD (COMPLIANCE)</b><br><p>In this lunchtime seminar hear from a Conduct Risk specialist on what it is; where Conduct Risk might go wrong; and where it belongs in the risk world. More importantly, learn how it will affect you.</p>   | SYD: Wed 10 Apr   12:30pm – 2:00pm<br>MELB: Wed 17 Apr   12:30pm – 2:00pm                         |

## Introductory Series Workshops

**THE BUSINESS OF STOCKBROKING IN AUSTRALIA – 2.5 CPD**

This workshop provides an overview of Australia's financial markets and the critical role that stockbrokers play in both retail and institutional markets. A short history of broking in Australia sets the scene for explanation of the current market structure, operations and regulation..

SYD: Wed 21 Mar | 9:30am – 12:30pm  
MELB: Mon 16 Apr | 1:30pm – 4.30pm

**UNDERSTANDING DERIVATIVES: OPTIONS AND WARRANTS – 4 CPD**

Derivatives are an established and essential component of global financial markets. Focusing on options and warrants, this workshop discusses how and why derivatives are used for leverage and/or manage risk. Key concepts are explained through worked examples, under the guidance of an experienced practitioner. This half day workshop is also ideal preparation for Accredited Derivatives Adviser Level 1 - ADA1 candidates..

MELB: Thurs 15 Mar | 9:00am – 1:30pm  
SYD: Wed 28 Mar | 9:00am – 1:30pm

**UNDERSTANDING OPTIONS: FEATURES, BENEFITS AND RISKS – 2 CPD**

This workshop focuses on equity options traded on the Australian Securities Exchange (ASX). Equity options offer investors an efficient means of managing the risks of adverse price movements in the share market. In addition, they give traders a vehicle by which to gain leveraged exposure to individual shares and selected indices. This workshop covers options pricing, basic strategies and the mechanics of trading options on the ASX

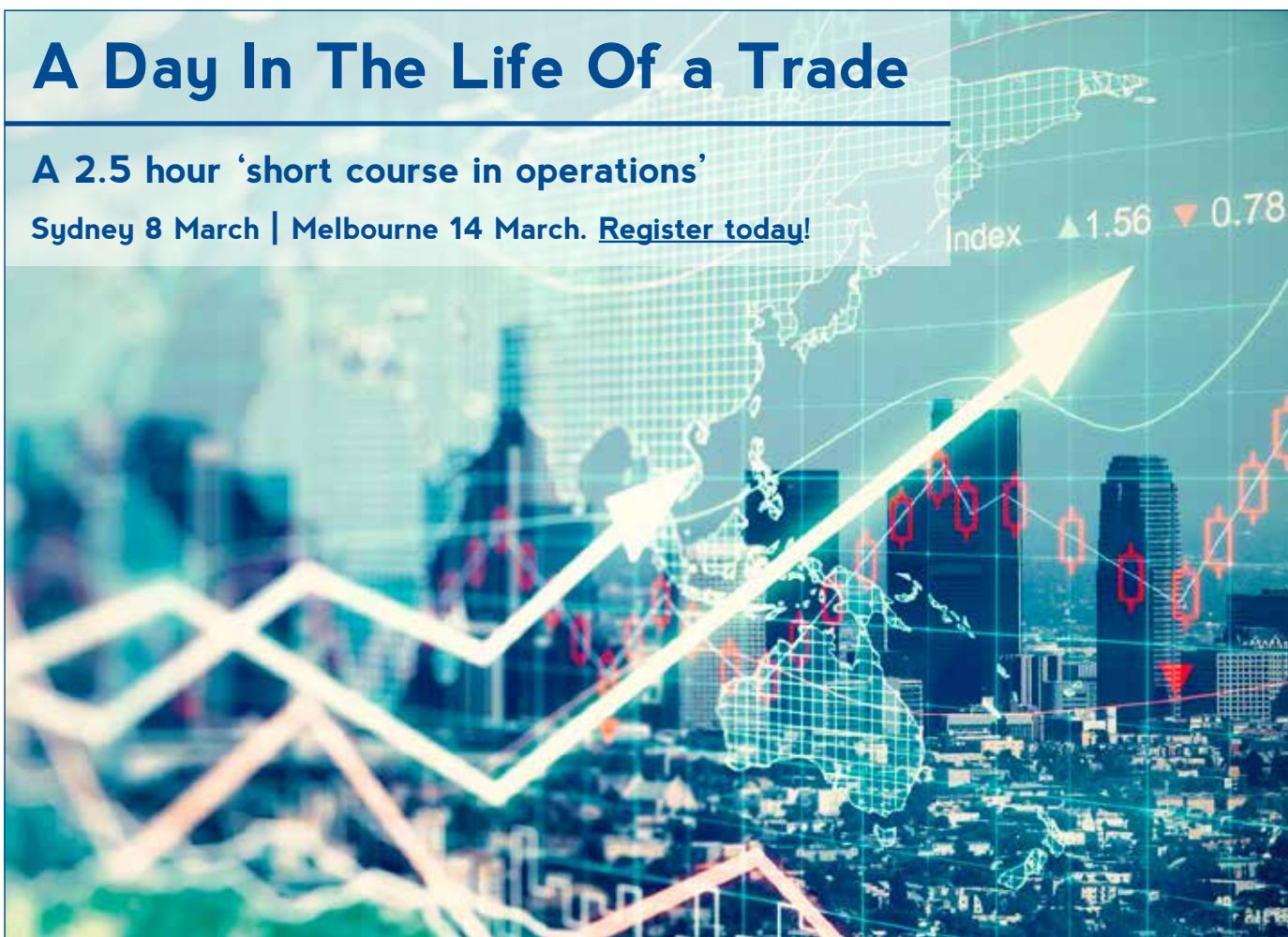
SYD: Tues 6 Mar | 9:00am – 11:00am

For further information visit [www.stockbrokers.org.au](http://www.stockbrokers.org.au)

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