



Stockbrokers and Investment
Advisers Association

Serving the interests of investors

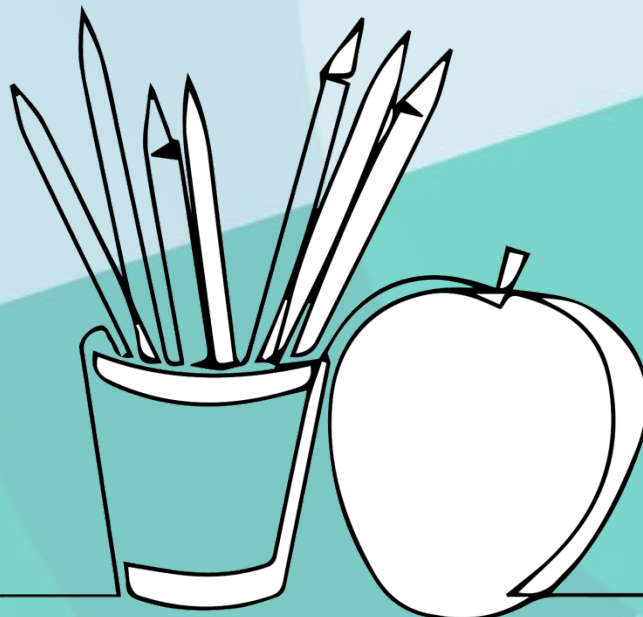
STOCKBROKERS AND INVESTMENT ADVISERS ASSOCIATION

Continuing Professional Development Policy

(SIAA CPD Policy)

Version 8

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Contents

| | |
|--|----|
| Purpose | 3 |
| Who is required to comply with CPD requirements? | 3 |
| How much CPD am I required to complete? | 4 |
| Summary of CPD requirements | 5 |
| What are qualifying CPD activities? | 6 |
| CPD area requirements..... | 6 |
| Eligible CPD activities | 8 |
| CPD plan..... | 9 |
| CPD reporting and recording | 9 |
| CPD hours..... | 10 |

Purpose

The Stockbrokers and Investment Advisers Association (SIAA) is committed to fostering and enhancing integrity and professionalism of its members in the stockbroking and investment advising community.

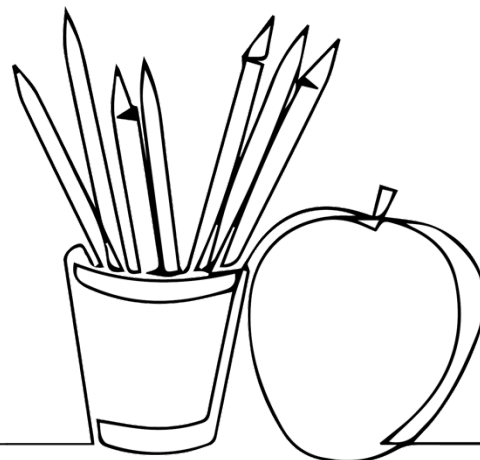
SIAA encourages investment professionals to achieve ongoing excellence in their education, knowledge and skills.

The SIAA CPD Policy codifies the inherent need for lifelong learning in a continually changing environment. We believe it is part of one's professional obligation to maintain and improve their ability to do their job by extending technical knowledge and professional skills.

The primary objective of CPD is to ensure that members maintain their knowledge, skills and integrity at a level that assures clients and employers they are dealing with a professional and competent practitioner. By engaging in CPD, members are making a positive investment in their future and creating competitive advantage.

CPD is also a means by which SIAA members can provide attestation on the Financial Advisers Register (FAR) that they have completed development programs and activities to maintain and extend their professional capabilities, knowledge and skills. This includes keeping up to date with all regulatory, technical and other developments relevant to professional financial advice.

CPD also provides attestation that SIAA members who are registered with the Tax Practitioners' Board (TPB) as a tax practitioner providing tax (financial) advice services can maintain and build upon their primary qualifications. It is imperative that a registered tax practitioner's knowledge and skills adapt and improve as the law, society and their individual practice changes and that they complete CPE that meets the requirements of the TPB.



Who is required to comply with CPD requirements?

All Practitioner members of SIAA.

The SIAA CPD requirement is effective from the date on which the Practitioner member is approved by the SIAA Professional Committee.

How much CPD am I required to complete?

SIAA members are required to complete the required SIAA CPD requirement of forty (40) hours of CPD annually.

A minimum of 20 CPD hours (50% of the Professional Standards minimum hours required) completed each CPD year by members must be accredited by SIAA. This may be different from CPD “approved” by the member’s licensee.

Please note that if you are on the FAR there is a requirement that 70% of your CPD is “approved” by your licensee. CPD may be approved by your licensee, but not be SIAA-accredited.

If you are a registered tax practitioner providing tax (financial) advice services you must comply with the TPB’s continuing professional education (CPE) requirements of 60 hours of relevant CPE over three years (minimum seven hours of CPE each year).

Reduction in CPD hours for part-time advisers

In special circumstances it is possible to reduce the minimum number of CPD hours in any CPD year for those who have taken significant time off from work during those years, that is, maternity leave/leave of absence for medical reasons. The Licensee must define in its policy any pro rata arrangements for special circumstances.

Summary of CPD requirements

| | CPD AREA REQUIREMENTS | CPD HOURS |
|--|--|--|
| SIAA | All SIAA CPD meets the Professional Standards definition for qualifying CPD. | 40 hours per annum A minimum of 20 CPD hours (50% of the Professional Standards minimum hours required) completed each CPD year by SIAA members must be accredited by SIAA. This may be different from CPD “approved” by the member’s licensee. |
| Professional Standards In line with section 921B of the <i>Corporations Act 2001</i> (see subsection 921B(5) of the Act), and Professional Standards CPD requirements | A minimum of five hours each in the CPD areas of technical competence, client care and practice, regulatory compliance and consumer protection; and a minimum of nine hours in the CPD area of professionalism and ethics. | 40 hours per annum |
| TPB Paragraph 20-5(1)(d) of the TASA requires registered tax practitioners to, upon renewal of registration, demonstrate that they have completed CPE that meets the TPB’s requirements. | Any education activity relevant to the tax (financial) advice services provided that maintains, develops or promotes skills, knowledge or attributes, is considered to be a CPE activity for the purposes of the TPB. | 20 hours per annum (60 hours of relevant CPE over three years with a minimum seven hours of CPE each year). For the purposes of TPB CPE, each one hour of SIAA CPD equates to one hour of CPE. |
| ASIC Knowledge Requirements The Knowledge Requirements in RG146 remain relevant to practitioners in identifying product knowledge required to deliver advice. | Generic knowledge Specialist knowledge, covering <ul style="list-style-type: none"> • Financial planning • Securities • Derivatives • Managed investments • Superannuation • Insurance—general, life and broking • Deposit products and non-cash payment products • Foreign exchange • First Home Saver Accounts • Margin lending facilities • Regulated emissions units | Set by the individual or their licensee in a manner that ensures they develop, maintain and apply a high level of relevant knowledge and skills. |

What are qualifying CPD activities?

The following requirements are to be satisfied:

- a) The activity is in one of the **CPD areas** in the table in the section CPA are requirements.
- 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 one 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.

**(Note: Paragraph (d) does not apply to an activity that consists of professional or technical reading).*

CPD area requirements

Professional Standards requirements

| CPD AREA | CONTENT OF CPD ACTIVITY | MINIMUM HOURS |
|--|--|-------------------|
| 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 | 5 hours per annum |
| Client care and practice | The activity is designed to enhance participants' ability to act as a client-centric practitioner in advising retail clients. | 5 hours per annum |
| Regulatory compliance and consumer protection | The activity is designed to enhance participants' understanding of applicable legal obligations and how to comply with them. | 5 hours per annum |
| Professionalism and ethics | The activity is designed to enhance participants' capacity to act as an ethical professional. | 9 hours per annum |
| 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. | |

Professional Standards CPD requirement for those in their professional year

The CPD requirement for those undertaking their professional year will be the 100 hours of required training, and it is understood they will already have a significant training burden in meeting the standards necessary to become a Relevant Provider.

Paragraphs 3.45 and 3.46 of the Explanatory Memorandum to the *Tax Agent Services Bill 2008* relevantly state that:

The Board may issue a guideline listing the training that is available in the market (including face-to-face training courses, distance learning and online courses) as being sufficient for continuing professional education purposes for this principle of the Code. For this purpose, any person or organisation can make a recommendation to the Board to have their training courses listed. The courses are not restricted only to those offered by recognised professional associations, recognised BAS agent associations, tax agents or BAS agents.'

As per the Explanatory Paper 042012, the TPB accepts compliance with the SIAA CPD policy as compliance with the TPB CPE requirements. SIAA facilitates this by ensuring:

- CPD activities accredited by SIAA are relevant to the industry and delivered by individuals of appropriate expertise;
- total hours required by SIAA in CPD meet or exceed those required by the TPB.

ASIC Knowledge Requirements

ASIC Knowledge Requirements are to be set by each member as part of their annual CPD plan with the approval of their licensee. Members must ensure that the Knowledge Requirements they include in their plan will address the technical, product, and skill competences they require to develop, maintain and apply a high level of relevant knowledge and skills.

SIAA will continue to use the ASIC Knowledge Requirements to accredit CPD alongside the Professional Standards CPD areas, allowing members to easily identify if particular accredited CPD is relevant to their CPD plan and the areas in which they provide advice.

Eligible CPD activities

A minimum of 20 CPD hours (50% of the Professional Standards minimum hours required) completed each CPD year by SIAA members must be accredited by SIAA. This may be different from CPD “approved” by the member’s licensee.

There is a great deal of flexibility for achieving the balance of CPD requirements that will best suit members. Members may use the resources of other organisations. CPD should be undertaken to specifically meet individual education, knowledge and skill development needs.

In assessing the time spent on CPD activities, members should record only those hours spent directly on the CPD activity and only where the activity provides educational benefit in excess of one hour (in the case of discussion groups, etc). Any CPD hours accumulated in excess of the forty (40) hours required for the reporting year may not be carried over to the subsequent reporting year.

CPD activities must have clear learning outcomes and objectives and a logical framework. Learning objectives describe what will be achieved by participating in the activity. The framework refers to planned activity which progressively builds on current knowledge and skill levels. It is also appropriate to undertake relevant personal reading or research (see more detailed guidance below).

The following activities suggest a broad range of different learning activities which will constitute eligible CPD.

- Conferences, short courses, seminars, workshops and webinars (inclusive of appropriate learning objectives which include assessment exercises).
- Formal discussion groups (minimum one-hour duration within a structured framework).
- Distance learning courses.
- Working as a lecturer or tutor (preparing and presenting technical material).
- Computerised learning packages.
- Employer/License holder-provided training.
- Tertiary courses and/or qualification programs and/or accreditation courses (formal courses with assessment, like a university or accreditation subject, must be passed in order to claim CPD points).
- Self-study, e.g. on-line, audio, relevant professional reading and research (records need to indicate a structured approach including learning objectives; research should include the aim, the research conducted, dates, outcomes and time expended).

- Service on SIAA committees or membership on other association technical or research committees or study groups where objectives are defined and specific contributions are required of members, usually involving both independent and collective study, review and analysis of designed material, e.g. Boards and Committees of government-sponsored advisory panels required to submit recommendations on issues concerning stockbroking or finance; or course advisory committees established by educational institutions.
- Researching, writing, preparation, presentation of technical publications that are published by a third party (or public electronic distribution), and where the contents are directly related to the skills and knowledge required of securities and derivative professionals. (Note: CPD hours are calculated on the basis of the actual time engaged in researching material and writing, and should not, for example, include time devoted to layout, artwork, design or similar issues).

CPD plan

Members are required to work with their licensee to prepare a CPD plan on an annual basis. The CPD plan should be comprehensive and include development opportunities across each Professional Standards CPD area and, where relevant, their TPB CPE area. In addition, the CPD plan should take into account the ASIC Knowledge Requirements required to support the advice delivered by the member.

CPD reporting and recording

A financial adviser (or their AFS licensee) must keep complete and accurate records of their CPD activity, and be able to provide a copy of these records to their AFS licensee on request. AFS licensees must update the FAR if a financial adviser they have authorised fails to comply with the annual CPD requirements as set by the Professional Standards.

For SIAA members who are registered tax agents, they are required to provide an annual confirmation that they have fulfilled the CPD/CPE requirements in order to renew their SIAA member status. While SIAA will keep records confirming that members have complied with the criteria, the onus for monitoring CPD hours will lie with the licensee.

Members are to confirm that:

- a) as a SIAA Member who is a registered tax agent, they have satisfied the CPD requirements; and
- b) they are able to provide details of the CPD/CPE undertaken during the CPD year if required.

If a member who is a registered tax agent does not satisfy the SIAA CPD requirements, SIAA will assist the member to identify suitable activities to achieve these standards within a reasonable timeframe. Failure to comply may result in suspension or expulsion from membership.

Where mitigating circumstances exist, requests to defer SIAA membership and CPD requirements must be made in writing, clearly stating the reason for the request.

To assist members with keeping records of their CPD, a SIAA CPD Register is available. Members access this through logging in to their account. Alternatively, individuals may develop their own spreadsheet, or keep a file with all relevant information.

Information required to be kept includes:

- name/topic of CPD activity
- type of learning, e.g. workshop, presentation/seminar
- date of learning activity
- duration of learning activity or number of CPD hours
- provider
- evidence of participation such as a registration confirmation or class list.

CPD hours

SIAA requires members to earn CPD hours, in line with the Professional Standards and TPB requirements and current practice with other professional associations. The terms “points” and “hours” can be used interchangeably.