



**Stockbrokers
And Financial Advisers**

Association Limited



STOCKBROKERS AND FINANCIAL ADVISERS ASSOCIATION LTD

CONTINUING PROFESSIONAL

DEVELOPMENT POLICY

(CPD Policy)

SAFAA CPD POLICY

The Stockbrokers and Financial Advisers Association Ltd (SAFAA) is committed to fostering and enhancing integrity and professionalism of its members in the stockbroking and financial advising community.

SAFAA encourages finance professionals to achieve ongoing excellence in their education, knowledge and skills.

The SAFAA 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 client 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 those SAFAA members who are registered tax (financial) advisers can maintain and build upon their primary qualifications, used to gain initial registration under the TASA. It is imperative that a registered tax (financial) adviser's knowledge and skills adapt and improve as the law, society and their individual practice changes. Further, it is a requirement for all individual registered tax (financial) advisers to have, upon renewal of registration, completed CPE that meets the TPB's requirements.

Who Is Required To Comply With CPD Requirements

All members of SAFAA including those members who are registered tax (financial) advisers.

How much CPD am I required to complete?

SAFAA members are required to complete the required SAFAA CPD requirement of twenty (20) hours of CPD annually.

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

A minimum of 8 hours (of the 20 hours) must be regulation and compliance CPD.

For SAFAA members who are registered tax (financial) advisers, there is a further requirement for them to complete 20 hours of CPD that meet the TPB's CPE requirements:

paragraph 20-5(1)(d) of the TASA which requires registered tax (financial) advisers to, upon renewal of registration, demonstrate that they have completed CPE that meets the TPB's requirements; and

(b) section 30-10 of the TASA which relevantly requires that:

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*'(8) You must maintain knowledge and skills relevant to the *tax agent services that you provide....*

*(10) You must take reasonable care to ensure that *taxation laws are applied correctly to the circumstances in relation to which you are providing advice to a client....*

*(12) You must advise your client of the client's rights and obligations under the *taxation laws that are materially related to the *tax agent services you provide'.*

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

*'... Keeping up-to-date with developments in the relevant taxation laws and tax administration **may** require agents to undergo a certain minimum number of hours of tax related **continuing professional education** per year as determined by the Board.*

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.'

Further, the Explanatory Memorandum to the *Tax Laws Amendment (2013 Measures No. 3) Bill 2013* provides that the amendments make it a registration requirement for individuals seeking to renew their registration to have met TPB's CPE requirements.

SAFAA acknowledges that some members will meet SAFAA CPD requirements as well as registered (tax) financial adviser CPE. SAFAA will make every effort to accommodate this by offering CPD activities that meet TPB registered (tax) financial adviser CPE requirements as part of their Professional Development offerings.

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Eligible CPD Activities

There is a great deal of flexibility for achieving CPD requirements that will best suit members. Members may use the resources of SAFAA, the TPD, their own resources, those of other organisations, or may prefer some combination. In general, CPD should be undertaken to specifically meet individual education, knowledge and skill development needs.

In assessing the time spent on CPD activities, you should record only those hours spent directly on the CPD activity and only where the activity provides educational benefit in excess of 1 hour (in the case of discussion groups, etc); **OR** - Any CPD hours accumulated in excess of the twenty (20) 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 (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 (formal courses with assessment, like a university subject, must be passed in order to claim CPD points).
- Self-study, e.g. on-line, audio, DVD, 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 SAA 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).

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CPD Reporting and Recording

SAFAA members are required to provide an annual confirmation that they have fulfilled the CPD requirements in order to renew their SAFAA member status. Whilst SAFAA 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 SAFAA Member they have satisfied the CPD requirements; and
- b) As a SAFAA Member who is also a registered tax (financial) adviser, they have satisfied the CPE requirements; and
- c) that they are able to provide details of the CPD/CPE undertaken during the CPD year if required.

The Member is required to authorise, date and sign in a report form and submit to SAFAA by 30 October each year.

Each year up to 5% of SAFAA Members will be selected randomly for an audit. This will be via a self-assessment process and will review the members' CPD records against the mandatory requirements in the SAFAA CPD Policy.

Members will be notified by email if selected for an audit. At that time, members will be given further details on the process and what will be required. This will include providing a copy of the CPD Records and evidence of completion.

If a member does not satisfy the SAFAA CPD requirements, SAFAA 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 SAFAA 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 SAFAA CPD Training Register template is available for download from the website www.stockbrokers.org.au. Alternatively, individuals may develop their own spread sheet, 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.



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Go to the following documents at www.stockbrokers.org.au

- Frequently Asked Questions (FAQ's)
- SAFAA CPD Training Register *template*
- SAFAA CPD Reading and Research Register *template*