



Professional Year Program

Information guide for Financial Advisers

Professional Year Program

Professional Year Overview

The Work and Training (Professional Year) Standard commenced on 1 January 2019 and must be completed by all 'New Entrants' to the financial advice industry before they are qualified as a Financial Adviser to provide personal financial advice to retail clients in respect to retail financial products.

The Financial Adviser Standards and Ethics Authority (FASEA) determines that the statutory requirement of 1-year full time equivalent work and training is 1600 hours split between:

- ▶ 100 hours of structured education and training; and
- ▶ 1500 hours of work and supervised experience.

As a broad overview, the Professional Year program is designed as:

- ▶ **Quarter 1** – Client Observations and support to Supervisor/Experienced Adviser
- ▶ **Quarter 2** – Supervised Client Engagement and Advice Preparation
- ▶ **Quarter 3 and 4** – Indirect Supervision of Client Engagement and Advice Preparation.

During each quarter, Professional Year participants are required to demonstrate competency in the areas of:

- ▶ **Technical competence:** technical proficiency to ensure that advice strategies are appropriate to the objectives, financial situations and needs of different classes of retail clients.
- ▶ **Client care and practice:** the ability to act as a client-centric practitioner in advising both new and existing clients.
- ▶ **Regulatory compliance and consumer protection:** a satisfactory understanding of applicable legal obligations and how to comply with them.
- ▶ **Professionalism and ethics:** the ability to act as an ethical professional.

The Role of the Individual

Individuals must have successfully completed a FASEA approved qualification prior to commencing the Professional Year.

An individual who is undertaking their Professional Year is defined as a 'Provisional Financial Adviser' once they have passed the FASEA exam and the Licensee has authorised them.

FASEA expects that the individual will participate diligently in the work and training process, not hinder the supervisor, and will record all appropriate evidence of relevant activities undertaken during the Professional Year.

The Role of the Supervisor

The Supervisor acts as a mentor to and provides appropriate supervision to the Individual. A Supervisor must be a Financial Adviser registered on the ASIC Financial Adviser Register with a minimum of two years' experience, as well as additional requirements imposed by the licensee.

The Supervisor supports the Individual, oversees the 1500 hours of work experience, and must record their observations of the Individual for work completed under supervision. The Supervisor must be satisfied and attest that the Individual's logbook is complete and accurate.

The Supervisor has the responsibility to ensure that the retail clients who deal with the Individual are informed in writing that the Individual is undertaking supervised work and training and the name and contact details of the Supervisor.

The Supervisor must provide supervision that actively assists the Individual in getting the full benefit of the Professional Year in accordance with Standard 12 of the Code of Ethics. A Supervisor must ensure the requirements of Standard 8 of the Code of Ethics are met, regarding appropriate record keeping during the Professional Year.

The Role of the Licensee

The Licensee must ensure that appropriate supervision is provided to the Individual.

FASEA expects that the Licensee will provide the appropriate resources and opportunity to ensure that the requirements of the Professional Year have been met, demonstrated through the collection, and recording of evidence.

The Licensee also reserves the right to approve the acceleration of an Individual undertaking their Professional Year through Quarter 1 or 2 if the Supervisor is satisfied that the person:

- a) has achieved the outcomes set out in the Professional Year Plan for the Quarter; and
- b) is capable of satisfactorily completing the work activities and structured training for the next Quarter.

The Licensee will authorise the Individual on the Financial Adviser Register (FAR) as a 'Provisional Financial Adviser' once they have passed the FASEA exam and the Licensee has authorised them.

The Licensee will authorise the Individual on the FAR as a 'Financial Adviser' to provide personal financial advice to retail clients once they have satisfied the requirements of the Professional Year.

Count Professional Year Program

Count has proudly built a first-class Professional Year program, that will ensure the success of the Individual and produce quality financial advisers for businesses following completion.

We have worked through the quarterly competencies and objectives listed by FASEA to create a week-by-week schedule of topics, work activities and structured training initiatives, that ensures the Individual continues to build on their theoretical degree-based knowledge, whilst coupling this with the hands on work experience-based learning. For example, in Quarter 1, the week-on-week topics build on the Advice Process, including identifying key financial planning documentation, establishing the client-adviser relationship, questioning techniques, SMART goals and risk profiling.

The 'Work Experience / Work Activity' component of the program has been built with a progressive structure, starting with preliminary focus on back-office administrative tasks, financial planning software skills, and assisting with preparation for client meetings; moving towards increased client engagement, modelling strategies, researching products, and developing and producing advice recommendations and documentation.

We have also built flexibility into the structured training component of the program, allowing individuals to work at their own pace and progress. Initial training is online based via Kaplan Ontrack, with the ability to incorporate formal education, like the FASEA Ethics subject, completion of a specialised accreditation (SMSF, Margin Lending, Aged Care, etc.) and/or completion of coursework to attain a professional designation (CFP, FChFP, SMSF Association, etc.).

As part of the exit requirements for completing the Professional Year, the Individual must undergo an audit of 5 client files in Quarter 4. Count have, therefore, incorporated this Quality Advice Assurance check as part of the individual's Quarter 4 requirements.

We will provide you with access to all the relevant Count-built templates, including pre-populated Professional Year Plans, broken down for each Quarter, and further by each Week, quarterly 'Work Activity' and 'Structured Training' logbooks, Ethical Dilemma worksheets, pre-defined assessment questions and reflection workbooks, completion certificates and templated client notification letters.

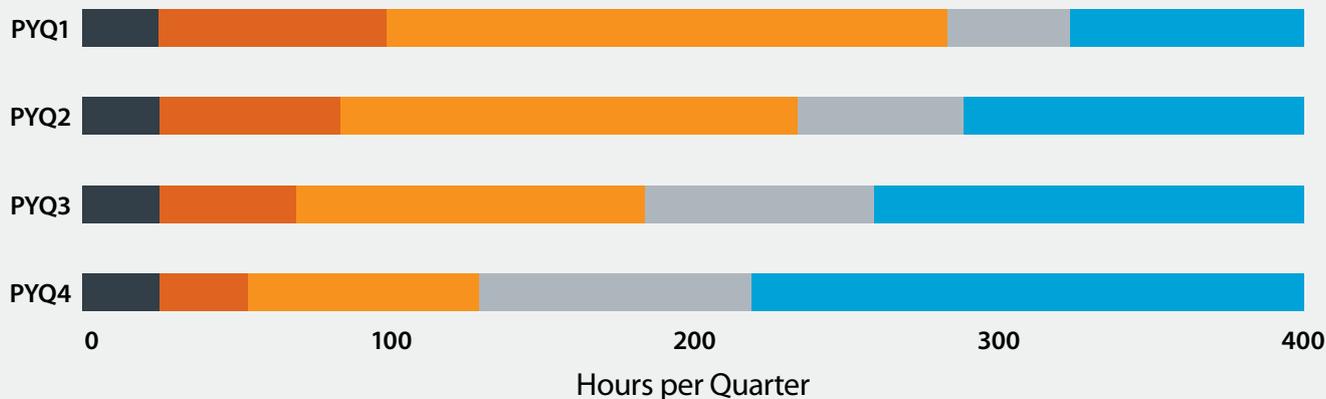
Lastly, you will have exclusive access to our dedicated Professional Development team, with one-on-one planning sessions during the initial phase of the Professional Year, and at the start of each Quarter.

Professional Year Activities

The outcomes that a person is expected to achieve include the key competencies that a person is expected to acquire and satisfactorily demonstrate, during the professional year are:

- a) to analyse, compare and apply underlying principles and theories from relevant areas of technical competence to complete work assignments and make decisions, and to do so effectively; and
- b) to integrate technical competence and professional skills in managing and completing work assignments; and
- c) to understand and apply the Code of Ethics, including in relation to avoiding inappropriate personal advantage, and applying professional values and attitudes, to work assignments; and
- d) to present information and recommendations, and explain ideas, orally and in writing in a clear confident and professional manner likely to be understood by retail clients; and
- e) to make appropriate judgments on courses of action, drawing on professional values, ethics and attitudes; and
- f) with appropriate consultation, to assess, research and develop appropriate solutions for complex business or client problems and issues.

Activity Progression During the Professional Year



Structured activities
e.g. training, webinars and formal assessments

Observation / shadowing planner in client interactions

Back office / administration
Activities such as data entry in XPLAN, contracting existing product providers and following up outstanding documents

Advice development
Strategy & Product training, Paraplanning, Ongoing service

Client engagement
Advice associate / Provisional adviser leading client interactions with or without supervision (based on limitations)

Formal Education as a Contribution to the Professional Year Requirement

FASEA recognises that relevant study may contribute to meeting the education and training requirements of this standard.

For instance, completion of one or more of the FASEA bridging course units would be considered relevant formal study.

Other relevant study options might include:

- ▶ Education for the purposes of achieving a professional designation.
- ▶ Education for the purposes of accreditation in specific forms of financial products relevant to licensing arrangements.
- ▶ Education for the purposes of meeting more detailed requirements in specific financial advice provision (e.g. SMSF, stockbroking, aged care, etc).

Therefore, a range of study options are allowable for the satisfaction of education and training requirements. However, education that is measurable, appropriately assessed and leads to further qualification (formal and informal) outcomes for participants is preferred.

Next Steps

If you would like to find out more about Count Financial's Professional Year Program, please contact Joe McCann, Head of Growth and Partnerships on 0423 946 439.