

TRAINING POLICY



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VERSION CONTROL

Version Number	Date Updated	Notes
1	1 August 2018	Original document prepared and finalised.
2	23 May 2019	Amendments to policy.
3	13 June 2019	Amendments to policy.
4	30 September 2019	Amendment to policy.
5	29 July 2021	Amendments to policy.

SECTION A – INTRODUCTION

1. INTRODUCTION

- 1.1 As part of FCS' ("FCS") process to ensure that it continues to maintain the highest levels of professional integrity and ethical conduct, FCS has adopted this Training Policy ("Policy") to develop the knowledge of its employees.
- 1.2 This Policy has been developed in accordance with *ASIC Regulatory Guide 206: Competence and Training Requirements* ("RG 206"). This Policy outlines measures to ensure ongoing compliance with the monitoring, supervision, knowledge and training requirements outlined in the ACCC Guidelines and the ASIC Regulations (as applicable).
- 1.3 In line with business practices, the CEO may delegate some functions to appropriately trained staff, such as team leader(s). This delegation does not absolve the CEO from their responsibilities. Where functions are delegated, there is a direct reporting line to the CEO. The CEO will have enough time available on a day-to-day basis to have direct responsibility for decisions.
- 1.4 Should the size, nature or direction of the credit services business of FCS change, it is understood additional team leader(s) may have to be appointed.
- 1.5 It is the responsibility of senior management to ensure that this Policy is communicated and implemented by all the team leader(s) and all employees of FCS.

2. WHEN DOES THIS POLICY APPLY?

- 2.1 This Policy applies to the team leader(s) and all employees of FCS at all times and the requirements remain in force on an ongoing basis.

SECTION B – IMPLEMENTING TRAINING STANDARDS

3. KNOWLEDGE OF TRAINING REQUIREMENTS

- 3.1 FCS recognises that the CEO must have the knowledge and skills necessary to ensure that representatives are trained and receive continuous development relevant to their duties.
- 3.2 Apart from the competencies required to meet the requirements of the ACCC and ASIC RG 206, FCS will ensure the CEO has those skills and competencies to hold a senior position within the business. The CEO must have the appropriate knowledge and skills to cover the credit products and services of FCS, or those authorisations which FCS may seek to add.
- 3.3 The CEO must have a minimum of two years relevant problem-free experience and must meet the education standards below:
 - (a) a credit industry qualification to at least Certificate Level IV; or
 - (b) another general higher-level qualification (e.g. diploma or university degree) in a relevant discipline (including law).
- 3.4 The CEO must be of good fame and character in line with the corporate profile of FCS. If an CEO fails to maintain their good fame and character, they may be required to resign and notify ASIC of this at the request of FCS.

4. RECRUITMENT

- 4.1 FCS recruitment activities are based on the current and future needs of the business when considering the nature, scope and complexity of its operations.

- 4.2 To ensure appropriate candidate selection, the CEO of FCS must prepare a detailed job description, noting any specifications for candidature and whether any internal candidates are appropriate. The CEO of FCS will set the remuneration level and decide on the appropriate selection method, that is, whether the recruitment process is to be handled directly or through an Employment Agency. The CEO of FCS will also set a timeline allocating deadlines for the completion of relevant recruitment activities.
- 4.3 FCS will consider multiple appropriate candidates, both internally and externally, to ensure the most appropriate fit for the role. Candidate selection will be transparent and fair to all parties. Vacant positions may be listed through an Employment Agency and candidate details are kept securely on file should a suitable opportunity arise.
- 4.4 All employees of FCS are considered representatives of FCS. Therefore, the monitoring and supervision requirements of employees outlined in RG 206 must extend to the screening process of new employees. This screening involves a series of background checks which includes the following:
- (a) Signing of a personal good fame and character and conflicts of interest declaration;
 - (b) Police Check;
 - (c) ASIC Register Check;
 - (d) Bankruptcy Check;
 - (e) Independent Reference Check; and
 - (f) Verification of qualifications.

5. INDUCTION

- 5.1 Team leader(s) of FCS will ensure that *all* new employees undertake thorough induction training. All new employees will receive a copy of the FCS' Training Policy and Compliance Plan (including Operations Manual).
- 5.2 Induction training covers employee responsibilities and obligations to FCS, including general rules and expected standards of conduct and FCS' procedures. Any operational issues, including FCS reporting lines and compliance obligations are also outlined. Reference is also made to FCS' internal policies.

6. APPOINTING TEAM LEADERS

- 6.1 The team leader is appointed on the basis of the nature, scale and complexity of FCS.
- 6.2 The detailed checks mentioned below are conducted on the nominated individual, prior to their appointment as team leader of FCS. This is to ensure they are of good fame and character and possess the requisite knowledge and experience. The competence of FCS' team leader(s) must be maintained at all times. The detailed checks are as follows:
- (a) initial interview by the CEO of FCS;
 - (b) candidates are to provide current resume and references;
 - (c) referees and previous employers will be contacted; and
 - (d) conduct register checks as required as per the ASIC application process.

- 6.3 In the event that one (1) or more of FCS' team leaders changes, or another team leader is added, FCS must be able to show that they are still able to comply with their training conditions.

SECTION C – MAINTAINING THE TRAINING STANDARDS

7. CONTINUING PROFESSIONAL DEVELOPMENT (“CPD”)

- 7.1 All team leaders and employees must participate in the FCS' professional development program in order to meet the competency requirements. Training must be continuously conducted, at an appropriately high level and cover all broad aspects of the authorisations or conditions under FCS' policies, as well as being specific to their job role within the organisation.
- 7.2 Training plans must address how team leaders and employees 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 credit 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 team leaders' or employees' training needs at least annually, in particular where the team leaders' or employees' functions change;
 - (e) identify gaps or weaknesses in the preceding year and the areas where training will be focused;
 - (f) set target objectives to be met, such as the desired changes in the team leaders' or employees' knowledge, skills and or performance at the end of the training year;
 - (g) decide the structure of the continuing training program (including nominating the training methods);
 - (h) assess whether the team leaders or employees have met the target objectives of the training program; and
 - (i) provide feedback sessions with the team leaders or employees about their performance.
- 7.3 Oversight of the training plans will be the responsibility of the CEO or employees' manager, who will update the plan on after an assessment of the gaps in training and the areas which need to be targeted.
- 7.4 Each team leader may keep a record of their actual training by maintaining a Training Register with the Compliance Officer. This may be reviewed annually with feedback provided about progress against the plan. Where gaps are identified between the plan and actual training, the team leader or employee is to be made aware and must rectify the gaps within the next six (6) months.
- 7.5 Relevant publications are to be made available to team leaders and employees.
- 7.6 The CEO and employees' professional development throughout the year will be recorded in their Training Register.

7.7 FCS' compliance and training provider is to review the Training Register to ensure the professional development requirements for the team leaders are complied with and make recommendations where applicable.

8. REPRESENTATIVES WHO ENGAGE IN CREDIT COLLECTING ACTIVITIES

8.1 Prior to any appointment, the CEO (or delegate(s)) will ensure each representative meets these standards. The CEO will be satisfied the requirements are met by sighting documentation that evidences the representative's education.

8.2 The CEO (or their delegate(s)) are to make staff training recommendations using the training plan template which will assist managers in assessing the appropriate level and method of training required by each representative.

8.3 The CEO (or delegate(s)) needs to decide what type of knowledge and skill requirements will be required to meet the current tasks and functions performed by each staff member. The CEO must also bear in mind FCS' regulatory obligations and may also consider the training needs of their staff for any additional roles contemplated or future promotion.

8.4 Typically, the training requirements may be discussed and agreed during the annual review process where gaps or weaknesses are identified, objectives are set in relation to the requisite training standard and the structure of the training plan is identified.

8.5 FCS will provide structured internal training for its representatives. Internal training will include internal professional development days, which will consist of a variety of topics.

8.6 External presenters will be industry professionals, who specialise in relevant areas. Additionally, FCS' representatives who have specified industry training and experience, as determined by the CEO, may present to other FCS' representatives.

8.7 FCS will consider formal education relevant to the job function of the individual.

8.8 FCS will also consider employing the services of an industry consultant, who will provide ongoing technical support and structured training. In addition, representatives will be rewarded based on their attendance at industry seminars and conferences and will be accredited with CPD points.

9. REQUIREMENTS FOR OTHER STAFF

9.1 FCS will ensure all other employees have the knowledge and skills to carry out their duties effectively. The educational requirements will vary depending on the duties.

9.2 FCS has a policy of continuous education and ensuring other staff are multi-skilled where appropriate to ensure that all job functions can be completed in the absence of any employee. Information provided through relevant management lines will ensure the CEO is aware of any additional training requirements in respect of administrative staff and will ensure the training is delivered.

9.3 Other employees must not provide credit services to clients of FCS. It is the duty of the CEO to inform all such employees of the procedure for referring clients to representatives who meet the training standards. This referral is, in the form of a pre-determined script, approved by the CEO.

9.4 FCS ensures all representatives engage in training and risk awareness activities surrounding FCS' compliance obligations.

10. PERFORMANCE MANAGEMENT

- 10.1 Performance management is an important tool to assess the quantity and quality of work undertaken by all employees. Formal performance reviews may be undertaken annually for all staff and form the basis for their Training Register in the year ahead. The review also forms the basis for recognition awards and bonuses that are paid in addition to salary.
- 10.2 FCS uses the review to assess daily performance and compliance relative to a staff member's job description. Elements covered in the appraisal are:
- (a) skills and knowledge;
 - (b) personal attributes;
 - (c) degree of application, desire to perform;
 - (d) performance against set objectives and results;
 - (e) required level of supervision;
 - (f) job structure and career development;
 - (g) required resources and training;
 - (h) satisfaction with working environment; and
 - (i) behaviour on the job and behaviour with colleagues.
- 10.3 Comments are formally recorded on the staff member's file and provide constructive criticism and feedback on performance and on the progress of staff training. Feedback is also sought from employees on their perspective of their performance and FCS' ability to meet staff expectations as an employee.
- 10.4 In the event that disciplinary action is needed due to unsatisfactory performance or non-compliance, FCS will take immediate steps to immediately address the issue. This is to stop further behaviour occurring and to act as a deterrence to other employees.

SECTION D – HUMAN RESOURCES

11. MONITORING AND REVIEW OF HUMAN RESOURCES AND THIS POLICY

- 11.1 This Policy will be reviewed regularly by the Compliance Officer of FCS, in conjunction with an external compliance consultant, having regard to the changing circumstances of FCS, any relevant regulatory changes and to ensure that the policy continues to maintain adequate human resources. Any changes to this Policy will be advised to all employees at the time. Where necessary, any gap training that needs to be undertaken to reflect the change in circumstances will be provided shortly afterwards.
- 11.2 To monitor the adequacy of its human resources, FCS uses the following indicators:
- (a) customer complaints about the quality of customer service;
 - (b) the ratio of compliance staff to representatives;
 - (c) the number of compliance staff able to conduct an annual review of representatives who engage in credit activities;
 - (d) monitoring of an absent staff member's client accounts and interests; and
 - (e) the number of inexperienced staff or vacant positions.

- 11.3 FCS aims to maintain a low level of staff turnover by conducting detailed exit interviews to review the role and assess the reasons for departure. The workload of all staff is regularly assessed and performance management, recruitment and succession plans, training plans and retrenchment and redundant processes are measures in place that ensure that FCS can meet any anticipated future operational needs.
- 11.4 Where possible, FCS will ensure that there is more than one person with the appropriate skills and training to carry out the functions and duties of key personnel in the event key personnel are unexpectedly unavailable.
- 11.5 FCS has adopted a Risk Management Policy which outlines the operational risks and risk management strategies in place to monitor the adequacy of its human resources.

SECTION E – POLICY BREACHES

12. POLICY BREACHES

- 12.1 Breaches of this Policy may lead to disciplinary action being taken against the relevant party, including dismissal in serious cases.
- 12.2 Team leader(s) of FCS must implement all elements of their individual Training Plan. Failure to meet their training obligations is a breach of FCS' conditions. Breaches will be reported to the CEO of FCS with details of the breach and the team leader(s) concerned. The team leader will be removed from their role and an alternative nominated in their place in accordance with this policy.
- 12.3 Staff are trained internally on compliance and their regulatory obligation to FCS. They are encouraged to respond appropriately to and report all breaches of the law and other incidents of non-compliance, including FCS' policies, and seek guidance if they are unsure. Reporting may be directly to the Compliance Officer or the CEO of FCS. FCS' Breaches and Incidents Reporting Policy must also be followed.

13. RETENTION OF FORMS

- 13.1 The Compliance Officer will retain the completed forms for future reference and review.
- 13.2 As part of their training, all staff are made aware of the need to practice thorough and up to date record keeping, not only as a way of meeting FCS' compliance obligations, but as a way of minimising risk.
- 13.3 All employees must notify the Compliance Officer when their personal details change to ensure an accurate and current record of employee details.

Issued by Francom Credit Solutions

29 July 2021

APPENDIX 1 – TRAINING PLAN

ANNUAL TRAINING PLAN	
LICENSEE:	TBA
NAME:	TBA
DATE PREPARED:	19 September 2020
REVIEW DATE:	19 September 2021

This training plan has been developed for you based on a number of factors, including your role within the licensee, the financial services you are responsible for, the licensee's training requirements, and the industry in which the licensee operates.

TRAINING NEEDS	
CREDIT ACTIVITIES:	Conduct; disclosure; responsible lending, hardships
PRACTISE MANAGEMENT:	Business management; sales and marketing; human resources
LEGISLATIVE UPDATES:	Updates on National Credit Act requirements; ASIC policy or relevant taxation; ACCC Guidelines update
ETHICS AND PROFESSIONAL CONDUCT:	Client considerations; disclosure obligations; compliance
GENERAL KNOWLEDGE:	Financial markets; economic environments; legal and compliance; taxation

ANNUAL REVIEW AND ASSESSMENT	
NAME	Georgina Maniakis
POSITION:	CEO of FCS
DATE;	30 September 2020
REVIEW DATE:	19 September 2021

APPENDIX 2 – TRAINING REGISTER

TRAINING REGISTER	
LICENSEE:	TBA
NAME:	Georgina Maniakis
DATE PREPARED:	30 September 2020
REVIEW DATE:	19 September 2021

This training register must be maintained throughout the year with reference to the requirements of the training plan that was developed in conjunction with your manager for the period.

DATE	NO. CPD POINTS	TRAINING AREA (E.G. GENERAL KNOWLEDGE/ETHICS/LEGISLATIVE)	TRAINING TYPE (E.G. PUBLICATION/CONFERENCE/IN-HOUSE)	FURTHER DETAILS AND DESCRIPTION
30.9.19	5	General	In-House Recorded Presentations	Conference – 5 Hours
30.9.19	5	Ethics	In-House Recorded Presentations	Conference – 5 Hours
30.9.19	10	Legislative	In-House Recorded Presentations	Conference – 10 Hours

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

ANNUAL REVIEW AND ASSESSMENT	
NAME	Georgina Maniakis
POSITION:	CEO of FCS
DATE;	30 September 2020
REVIEW DATE:	19 September 2021