

Explanatory notes to the Professional Year (PY) Certificates of Completion Templates



Who should use the PY Certificates of Completion templates?

The Certificate of Completion templates can be used by:

- the Supervisor of a PY Candidate; and
- the Australian Financial Services Licensee (Licensee) of a PY Candidate.

What is the purpose of the Certificate of Completion Templates?

FASEA has provided PY Certificate of Completion templates for Quarters 1, 2, 3 & 4 and a Final Completion Certificate for the PY overall.

FASEA has published the Certificate of Completion templates as a guide to assist Supervisors and Licensees as each has responsibility for issuing Completion Certificates throughout the Candidates PY.

Please note: It is NOT mandatory to use FASEA's templates. FASEA has provided them for guidance purposes only, so you may modify FASEA's templates or design and use your own templates.

Why is it important to issue certificates of completion?

Except for Quarter 1, a Candidate cannot progress to the next quarter of their PY, unless they:

- have completed the work activities and the structured training for each prior quarter; and
- have all the relevant quarterly certificates of completion, issued by their Supervisor.

A Candidate is taken to have met the requirements of their PY if their Supervisor and Licensee issue them with a Final Completion Certificate.

What assessment criteria should a Supervisor apply when issuing a completion certificate?

These are the criteria a Supervisor should apply when assessing whether to give the Candidate a completion certificate for a quarter:

- whether the Candidate has completed and maintained their Log Book for the quarter;
- the number of hours of work activities the Candidate has undertaken, in accordance with their professional year plan, up to the end of the quarter;
- the number of hours of structured training the

Candidate has undertaken, in accordance with their professional year plan, up to the end of the quarter;

- the extent to which the Candidate has achieved the particular work and training outcomes set out in their professional year plan for the quarter;
- the extent to which the Candidate is capable of satisfactorily completing the work and structured training for the next quarter;
- for Quarters 3 and 4—whether the Candidate's identification and resolution of at least two ethical dilemmas relevant to practice as a relevant provider demonstrates the ability to identify ethical issues and resolve them appropriately; and
- whether the Candidate has achieved satisfactory progress against the requirements of their professional year plan, including satisfactorily addressing areas for further development.

When must the quarterly certificates of completion be issued?

At the end of each quarter, the Supervisor **must** issue a certificate of completion, if they are satisfied that the Candidate:

- has completed and maintained his or her logbook for the quarter;
- has satisfactorily completed all the work activities and structured training set out in the professional year plan for the quarter; and
- for Quarters 3 and 4 – has satisfactorily identified and resolved ethical dilemmas.

It is possible to grant accelerated progression through Quarter 1 and/or Quarter 2, if the Supervisor is satisfied the Candidate:

- has achieved the outcomes set out in the professional year plan for that quarter; and
- is capable of satisfactorily completing the work activities and structured training for the next quarter.

Where this occurs, a Certificate of Completion can be issued earlier than the planned end of the quarter, provided the accelerated progression is noted on that certificate.

Are there conditions that must be met when issuing the final certificate of completion?

A final completion certificate is not valid unless it has been issued by both the Supervisor and the Licensee.

A final completion certificate cannot be issued unless the Candidate has completed at least 1,500 hours of work activities and 100 hours of structured training, in accordance with their professional year plan.

The Licensee must conduct an audit of at least five of the files that the Candidate worked during their PY. It must be satisfied, having regard to the work done by the Candidate on those files, that the Candidate can be relied on to comply with applicable legal and regulatory requirements applicable to the provision of personal advice to retail clients in relation to relevant financial products.

The Licensee and the Supervisor must both be satisfied that, by the end of the Professional Year, the Candidate:

- is able to undertake all the activities specified in subsection 6 (2) of the Corporations (Work and Training Professional Year Standard) Determination 2018. These are:
 - 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;
 - to integrate technical competence and professional skills in managing and completing work assignments;
 - 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;
 - 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;
 - to make appropriate judgments on courses of action, drawing on professional values, ethics and attitudes; and
 - with appropriate consultation, to assess, research and develop appropriate solutions for complex business or client problems and issues.
- has acquired and satisfactorily demonstrated all the key competencies specified in subsection 6(3) of the Corporations (Work and Training Professional Year Standard) Determination 2018. These are:
 - **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; and
 - **professionalism and ethics:** the ability to act as an ethical professional.

- has passed the Examination approved by the Corporations (Relevant Providers Exam Standard) Determination 2018.

What records must Supervisors and Licensees Keep?

The Supervisor must keep records of the following:

- the criteria they applied when assessing a Candidate's performance;
- why they were satisfied that the Candidate met all the conditions required for the issue of a Certificate of Completion; and
- if applicable, why they permitted the Candidate to accelerate through Quarter 1 and/or Quarter 2.

The Licensee must keep complete and accurate records of why it was satisfied that the Candidate met the conditions for the issue of a Certificate of Completion.

When does a Licensee need to update the Candidate's record on ASIC's Financial Adviser Register (FAR)?

The Licensee is required to register the Candidate on the Financial Advisers Register when the Candidate passes the Examination and the Licensee has authorised them as a Provisional Relevant Provider. The Licensee is required to note if accelerated progression has been granted through Quarter 1 and/or Quarter 2. The Licensee is required to update the Candidate's record on the FAR when it issues a Final Certificate of Completion, and the Candidate is therefore eligible to become a Relevant Provider.

How do I prevent alterations to the Certificate of Completion after it is issued?

After typing in the content of the Certificate of Completion you can 'lock' the document by clicking on the words 'Standards Authority' in the FASEA logo. Note this is not a reversible process – once you have locked the document it cannot be unlocked and you cannot make further alterations.

Where can I find more information about PY requirements?

For more information about the PY Standard please refer to the Professional Year page on FASEA's website for access to:

- FPS004 Work and Training Requirements (Professional Year) Policy; and
- the Corporations (Work and Training Professional Year Standard) Determination 2018 and its Explanatory Statement.