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ONE SUCCESS STORY
AT A TIME**

ASIC RG 146 COMPETENCY ASSESSMENT & GAP TRAINING PROGRAM

For Planners and Advisers

KAPLAN

PROFESSIONAL

ASIC RG 146 COMPETENCY ASSESSMENT & GAP TRAINING PROGRAM

The ASIC Regulatory Guide 146 Competency Assessment & Gap Training Program has been developed by Kaplan to formally assess the knowledge and skills competencies of advisers based upon the requirements of RG 146, within the product areas in which they operate, and provide any identifiable gap training needs. This program is listed on the Register of ASIC Compliant Training for Authorised Representatives.

Aim

To assess Advisers against the knowledge and skills requirements of RG 146, taking into account their specific areas of responsibility, with the intention of filling any gaps and enabling them to achieve compliance.

Please Note

This assessment method can only be used by individuals with at least five years relevant industry experience out of the past eight years. This will be determined during the Needs Analysis stage. Those who do not meet this experience criterion must demonstrate their competency by undertaking approved training courses.

Procedure

Step 1

Kaplan must obtain details of the Adviser's particular areas of responsibility. (See Form 2 'Current Areas Advice' attached)

- N.B. Under the Corporations Act, licensees must adequately train their representatives in relation to all financial products covered by the licence. A representative not trained in a particular service or product covered by the licence must be specifically, and in writing, precluded from selling that product or advising in that area.

Step 2

On the basis of the information received via Step 1 Kaplan will determine those knowledge areas specified in ASIC Regulatory Guide 146 (RG 146) that relate to the Adviser's areas of responsibility. These will be the knowledge areas in which current competency must be demonstrated.

The following knowledge areas will generally relate to an Adviser with full financial planning responsibilities:

- Generic/Financial planning (Normally covered by ELC or equivalent)
- Superannuation and Retirement Planning (Normally covered by SRP or equivalent)
- Life Insurance and Risk Management (Normally covered by RM or equivalent)
- Managed Investments/Securities/Derivatives (normally covered by IP1 or equivalent).

Kaplan must also determine if the advice given meets the definition of 'General' or 'Personal'. In very basic terms, advice is personal when the adviser takes note of a client's individual circumstances before providing that advice. Where advice is 'general' only, a separate skills assessment is not required. Where advice is 'personal' the adviser must also be assessed for skills. This procedure is covered later in our brochure.

Step 3

The Adviser will be advised of the knowledge areas in which they need to be assessed and asked to supply evidence of existing qualifications in those areas, which might preclude the necessity of further assessment. This evidence will normally be in the area of certificates or statements of attainment relating to DFS (FP) courses or their equivalents. (See Form 3 'Record of Training and Education' attached).

This is dealt with in greater depth in the Recognition of Prior Learning (RPL) section of this brochure.

Step 4

For those areas that need to be assessed, Kaplan will provide a series of challenge tests in the form of multiple choice examinations. A maximum of three (3) attempts are allowed in the 6 month time frame, from date of enrolment. No extensions will be offered. These exams will be divided into modules as follows:

A) Generic knowledge/Financial Planning:

1. The Financial Planning Process
2. Operation of Financial Markets
3. The Australian Economic Environment
4. Introduction to Financial Products and Investments
5. Regulations and the Financial Services Industry
6. Introduction to Taxation
7. An Introduction to Superannuation
8. Introduction to Social Security and Retirement Incomes Streams
9. An Introduction to Estate Planning
10. An Introduction to Life Insurance and Risk Management

B) Generic Knowledge:

1. Operation of Financial Markets
2. Regulations and the Financial Services Industry
3. Australian Economic Environment
4. Introduction to Financial Products and Investment
5. Introduction to Taxation

C) Financial Planning:

1. The Financial Planning Process
2. Introduction to Taxation
3. An Introduction to Superannuation
4. An Introduction to Social Security and Retirement Income Streams
5. An Introduction to Estate Planning
6. An Introduction to Life Insurance and Risk Management

D) Life Insurance and Risk Management:

1. The Insurance Industry
2. Risk Management
3. Insurance Policy Law
4. Non-Life Insurance
5. Life Insurance and Underwriting
6. Consumer Protection in the Insurance Industry

E) Superannuation and Retirement Planning (Post May 2006):

1. Demographics and Retirement Planning
2. Superannuation Legislation and Regulations
3. Fund Design and Tax Aspects
4. Termination Payments and Retirement Income Streams
5. Reasonable Benefits Limits
6. Social Security

F) Managed Investments:

1. Investment Fundamentals
2. Legislation and Compliance
3. How Managed Investments Work
4. Unit Trusts
5. Managed Property Investments
6. Managed Investment Structure
7. Taxation of Managed Investments
8. Analysis of Managed Funds

G) Investment Planning 1:

1. The Basics of Investment
2. The Mathematics of Investment
3. Shares and the Stock Market
4. Prospectuses
5. Derivatives
6. Fixed Interest Investments
7. Property Investments
8. Managed Investments

Kaplan also offers a RG 146 Challenge Test equivalent to Kaplan's Investment Planning 1 DFS (FP) course. This covers the RG 146 knowledge areas, 'managed investments' plus 'securities' and 'derivatives'. This is recommended for anyone who is seeking to obtain the DFS (FP) as opposed to those who just want RG146 Compliance.

Each Module will consist of 8 multiple-choice questions. Two minutes will be allowed per question. Thus an exam consisting of 6 modules will have a duration of 1 hour 36 minutes. Please note all RG 146 exams are closed book.

Advisers will need to achieve 6 correct answers in each Module to achieve competency and a maximum of 3 exam attempts are allowed.

Please note the RG146 Superannuation exam has 9 questions per module. Advisers will need to achieve 7 correct answers or above in each module to achieve competency.

In addition, if personal advice is given, then a skills assessment will be required.

Step 5

If the Adviser attains the required number of correct answers in each Module then he or she will be presented with a Certificate of Current Competency. This will confirm that the person has met the competency requirements of the relevant RG146 product areas.

If the person does not achieve the required number of correct answers in any Module they will be given the opportunity to purchase gap training material for each Module in which they were unsuccessful. Purchase of relevant gap training material is compulsory prior to undertaking a re-sit examination.

Step 6

After studying the gap training material the Adviser will undertake a re-sit examination in those Modules for which Gap Training material was provided.

Step 7

Advisers who fail the first re-sit will generally be able to take a second re-sit. Where they are still unable to achieve competency a decision will be made on an individual basis as to the need for further training. It may well be that the Adviser will be obliged to undertake Courses which cover those deficient areas of knowledge.

Recognition Of Prior Learning

For the benefit of this assessment process no courses completed or qualifications attained prior to January 1995 will be recognised, unless there is evidence that Continuing Professional Development (CPD) has been maintained since that date.

Courses completed after January 1995 will be recognised if the course is currently on the Register of ASIC Compliant Training Courses. The Register covers courses currently compliant as well as courses which were compliant if completed before certain stipulated dates

The following Kaplan courses appear on the register: Entry Level Competencies, Risk Management, Investment Planning 1, Superannuation and Retirement Planning, Taxation Planning, Estate Planning, Investment Planning 2, Managed Investments, Equities and Diploma of Financial Services (Financial Planning). Many other Registered Training Organisation's courses appear as well, but note that exemptions granted by the FPA are not acceptable, unless the exemption was granted as a result of completing a course, which is itself on the register, or where the exemptions make up less than 50% of the required qualification.

The Skills Assessment

In line with ASIC requirements, Kaplan has introduced skills into their courses and also into their RG 146 Competency Assessment program. These skills can be assessed in 4 ways:

1. If you have been in the industry 5 of the past 8 years you may have a supervisor complete and sign a statement verifying your competence.
2. You may have a supervisor or an experienced practitioner observe and report on your skills in a client interview or role-play situation.
3. You can arrange for an Kaplan assessor to observe and report on your skills in a client interview or role-play situation.
4. You can apply for Recognition of Prior Learning by providing evidence of your competency from past courses or experience.

A summary of the steps required to complete each option is provided below.

Option 1

Have a supervisor complete and sign a statement verifying your competence.

To be eligible to use this option the student must have worked 5 years in the past 8 in a relevant role in the finance industry.

The supervisor carrying out the assessment must meet the following criteria:

- They must meet the educational requirements as a responsible officer for an Australian Financial Services Licence holder or
- They must be RG 146 compliant and have at least 3 years experience in the industry.

The supervisor must complete the 'Supervisor Accreditation Form' (S3) to confirm that they meet the supervisor requirements, complete the 'Supervisor's Appraisal Form' (S4), and return both forms to Kaplan. The (S2) payment form must be completed with payment details included.

Option 2

Have a supervisor or an experienced practitioner observe and report on your skills in a client interview or role-play.

The supervisor carrying out the assessment must meet the following criteria:

- They must meet the educational requirements as a responsible officer for an Australian Financial Services Licence holder or
- They must be RG 146 compliant and have at least 3 years experience in the industry.

You give the person supervising your assessment the 'Supervisor's Pack'. The Pack contains a 'Supervisor Accreditation Form' (S3), a 'Supervisors Report Form' (S8) and a 'Role Play Kit'.

- Your supervisor can sit with you in an actual interview with a client and record his or her observations on your skills, or
- You can role-play the skills, with your supervisor taking the role of the client and recording the results.

The supervisor sends the completed 'Supervisor Accreditation Form' (S3) and 'Supervisors Report Form' (S8) to Kaplan. The (S2) payment form must be completed with payment details included.

Option 3

Arrange for a Kaplan assessor to observe and report on your skills in a client interview or role-play. The Kaplan assessor will be a qualified Certificate IV assessor. The assessment can be in an actual client interview or by role-play.

To arrange for this assessment you must complete the 'Kaplan Skills Assessment Request Form' and submit it to Kaplan.

Please allow at least 2 weeks between submitting the form and the nominated date of assessment. Kaplan has assessors in most areas of Australia. However, where the assessor incurs travel costs this may be passed on to the student.

Option 4

Apply for Recognition of Prior Learning by providing evidence of your competency from past courses or experience.

When using this option you must complete the 'RPL (Recognition of Prior Learning) form' (S10) and return it to Kaplan with the supporting evidence.

We have found that most students find it difficult to provide suitable evidence for skills such as verbal communication, questioning and listening skills. Kaplan as an RTO will decide if the supporting evidence is of a sufficient standard to warrant issuing an exemption. Please read the 'RPL Evidence Form' carefully before attempting this option.

If you have evidence that you have completed a sales training course (such as "Counsellor Salesperson" or an "In-House" course) submit the results of that course, together with the objectives or learning outcomes of the course. Kaplan must be sure that the course covered the required competencies. As assessment of a wide range of evidence is required, there is a \$265 fee for this option.

Charges

As an RTO Kaplan must validate any assessment and keep detailed records for each student. The charges for these services are as follows:

Option 1 = \$130 per assessment

Option 2 = \$130 per assessment

Option 3 = \$245 per assessment (Kaplan Professional premises).

Option 4 = \$365 per assessment (if Kaplan Assessor is required to attend client's premises for assessment).*

Option 5 = \$265 per assessment

*Kaplan Assessors availability is limited to metropolitan areas only.

A brief explanation of the steps required to complete the skills assessment, using the 4 options, is provided below.

Important Points:

- To use option 1 the adviser must have 5 of the past 8 years in the industry.
- Any person acting as supervisor must have at least three years experience in the industry and be either RG 146 compliant or be the nominated officer for an Australian Financial Services Licence holder.

Note: Prices valid until 31 December 2009.

Steps in Option 1

- a. Complete Assessment Booking Form (S2).
- b. Select a supervisor who meets the criteria detailed in the Skills Assessment Brochure (S1).
- c. The supervisor completes the Supervisor Accreditation Form (S3).
- d. The supervisor completes the Supervisor Appraisal Form (S4).
- e. Send the Supervisor Accreditation Form (S3), the Booking Form (S2) with payment details and the Supervisor Appraisal Form (S4) to Kaplan.

Steps in Option 2

- a. Complete Assessment Booking Form (S2).
- b. Select a supervisor who meets the criteria detailed in the Skills Assessment Brochure (S1).
- c. The supervisor completes the Supervisor Accreditation Form (S3).
- d. The supervisor reads the Instructions for Supervisor Assessing Skills (S5).
- e. The student reads the Student Guide to Role-play (S6).
- f. The supervisor reads the Supervisor Guide to Role-play (S7).
- g. The supervisor completes the Supervisor Report Form (S8) during the role-play.
- h. Send the Supervisor Accreditation Form (S3), the Supervisor Report Form (S8) and the Booking Form (S2) with payment details to Kaplan.

Steps in Option 3

- a. Complete Assessment Booking Form (S2) nominating a Kaplan assessor and send it to Kaplan with payment.
- b. Student will be notified by Kaplan as to the name of the assessor and when the assessment will take place.
- c. The student reads the Guide to Role-play (S6)
- d. The supervisor completes the Supervisor Report Form during the role-play.
- e. The student will receive verbal feedback on the assessment at the time of the assessment.
- f. The student will be notified in writing of the result of his or her assessment.

Steps in option 4

- a. Read the Recognition Of Prior Learning Form (S10) carefully and gather the relevant evidence of competence.
- b. Complete the Recognition Of Prior Learning Form (S10) and attach the evidence of competence and send to Kaplan with payment.

More details on how to complete the requirements for the skills assessment can be found at www.kaplanprofessional.edu.au under the assessments section of the website.

Assessment Program Costs

If you wish to enrol in this assessment program then you need to complete the four forms attached.

1. Work Experience
2. Current areas of advice
3. Record of Training and Education
4. RG146 Compliance and needs analysis form with payment details included

Return these to Kaplan Professional together with your payment of \$185 and we will undertake a Needs Analysis and advise you what further assessment is required. Arising from this, the following additional costs may apply depending on the results of the Needs Analysis.

Provision of Adviser Survey and Assessment Needs Analysis:

- \$200 per adviser

Initial Examination

- \$255 per knowledge area if exam taken at Kaplan Professional office or in a group of 5 or more.
- \$335 per knowledge area if exam is taken externally to Kaplan.

Gap Training Material

- \$75 per Module.

Skills Assessment/Appraisal

- \$130 (if undertaken in-house).
- \$245 (if carried out by Kaplan).
- \$365 (if carried out at a client's premises by Kaplan Assessor).

Resits

- \$100 if exam taken at Kaplan Professional office or in a group situation of five or more .
- \$150 if exam is taken externally to Kaplan. (Based on 16 minutes per Module).

All amendments/cancellations or failure to attend an exam/assessment as per nominated on exam/assessment booking form will incur a \$50 fee if exam was booked at a Kaplan Professional office or with five or more participants. External exams will incur a \$100 amendment/cancellation fee.

Note: Prices valid until 31 December 2009.

For more information please contact:

Student Services

Tel: 1300 662 203

Fax: 1300 360 834

Level 11, Comalco Place

12 Creek Street, Brisbane QLD 4000

GPO Box 9995, Brisbane QLD 4001

Email: mail@kaplan.edu.au

Website: www.kaplanprofessional.edu.au

FORM 2: CURRENT AREAS ADVICE

Please include evidence, including your Financial Services Guide and any employment or other agreements outlining or limiting the areas in which you are authorised to provide advice. Add any areas in which advice is given, that are not included on our list, in the blank spaces provided.

Areas of Advice	Tick
Superannuation Accumulation	
Investment at and after Retirement	
Managed Investments	
Life and Disability Insurance	
General Insurance	
Estate Planning	
Self Managed Super Funds	
Direct Share Investments	
Direct Property Investments	

- All RG 146 Assessments are closed book exams
- Kaplan offers a maximum of three (3) exam attempts. One (1) full exam attempt and two (2) resit exam attempts, in a six (6) month time frame.

General information

- If your exam booking has not been confirmed at least one week prior to your exam date, please contact Kaplan Professional immediately on **1300 662 203** or by email **exambookings@kaplan.edu.au**.
- If booking your exam via facsimile, please keep your fax confirmation and exam booking form as a record. No fax receipts will be confirmed by phone. Exam bookings cannot be made by phone.
- Group exam bookings should be forwarded to Kaplan Professional on one booking form, together with an attachment if there are more than 4 candidates participating.
- Manuals are only permitted to be taken into the exam booking room if the exam is open book.

Exams held in Kaplan Professional offices

- Kaplan Professional office exam times are available from **www.kaplanprofessional.edu.au** under 'Study Information' or by calling Student Services on 1300 662 203.
- Exams held at Kaplan Professional (Sydney, Melbourne, Brisbane, Perth, Adelaide) offices require at least 5 working days notice.
- The examination room closes at the confirmed booking time. If you arrive after this time, Kaplan Professional may refuse entry and you may be subject to a re-booking fee. If you are running late, you must call Kaplan Professional.
- Online exams (with instant results) are available at no extra cost at Kaplan Sydney, Melbourne, Brisbane, Perth and Adelaide offices. Students must know their MyKaplan logon ID and password to access the exam. If you forget to bring your password you will need to sit a paper-based exam.

Exams held at External Venues

- External exams will only be held during business hours (9am–5pm, Monday–Friday) and therefore must commence and finish between these times.
- Exams at external venues will not be booked unless a minimum of 14 days notice is given in writing to Kaplan Professional.
- External exams will only be held at a business address or a public venue (ie. public library), not a residential address. The student will be liable to pay any costs for room hire associated with the exam.
- As it is your responsibility to organise the venue, please provide specific details about the exam address/location as well as any necessary directions to assist the supervisor in locating the venue. Ensure access to the building is available for visitors at the specified time.
- Where an online exam is booked at an external venue, it is the student's responsibility to ensure a suitable computer is available and that internet access is available at all times. Students must know their MyKaplan logon ID and password to access the exam. If you forget to bring your password you will need to sit a paper-based exam or re-schedule your exam. A fee will apply for rescheduling.

Costs

- Exams are charged at **\$255** per exam if taken at Kaplan or in a group situation (ie. 5 or more candidates). First sit exams taken externally and not in a group situation cost **\$335** per exam. Valid until 31 December 2009.
- All students are entitled to one amendment or reschedule to their booked exam per subject enrolment at no cost, providing Kaplan Professional is advised at least one business day prior to the scheduled exam date. Thereafter, all amendments/cancellations or failure to attend an exam/assessment as per nominated on exam/assessment booking form will incur a **\$50** fee if exam was booked at a Kaplan Professional office or with five or more participants. External exams will incur a **\$100** amendment/cancellation fee.
- Prior to booking a RG 146 resit examination, gap training material must be purchased for any modules that are declared "not yet competent". If gap training material is not purchased a resit exam cannot be booked. Gap Training material is charged at **\$75** per subject.
- Resit exams are charged at **\$150** per exam if held at a venue other than Kaplan.
- Resit exams held at Kaplan, or exams with 5 or more candidates are charged at **\$100** per exam.
- Prices valid until 31 December 2009.

ASIC RG 146 EXAMINATION BOOKING FORM

Upon payment please treat this form as a tax invoice – Kaplan Education Pty Ltd. ABN 54 089 002 371

I confirm that:

I have at least 5 years experience out of the last 8 years in the financial services industry to be eligible to undertake the RG 146 challenge test program.

Signature _____

Date _____

Exam Type: (please circle) Online* Paper If you specify neither online or paper you will be booked into online exam.

* Email address must be included for all online exams. It is also used to confirm exam bookings.

Exam Details

Exam Date	Exam Time
Person Booking Exam	Organisation
Contact Number	Email

Exam Venue

Kaplan Professional's Office: Sydney Melbourne Brisbane Perth Adelaide

External Exam Venue: Venue Name: _____

Venue Address: _____

Suburb _____

State _____

Postcode _____

Note: External exams are unable to be conducted at a residential address.

Notes _____

Contact at Venue _____

Contact No. at Venue _____

Candidates Details

Candidates Name	Kaplan Student Number	Knowledge Area	1st Sit/Modules to Resit

Assessment ID List

RG 146 Generic/Financial Planning	(GFP)	RG 146 Generic	(G)
RG 146 Risk	(RM)	RG 146 Financial Planning	(FP)
RG 146 Super	(SRP)	RG 146 Investment Planning	(IP1)*
RG 146 Managed Investments	(MI)	SMSF Challenge Test	(SMSF)

*(IP1) is the equivalent to Kaplan's Investment Planning 1 (DFS FP) subject.

Total Number of Candidates _____

Group Number (If Applicable) _____

Signature _____

Date _____

Note: No fax receipts will be confirmed by phone. Please check via My Kaplan/My Training 15 days prior to exam date requested for confirmation of booking.

Payment Details

Cheque (Please make cheque payable to Kaplan Education Pty Ltd) Cheque No. _____

Mastercard Visa

Card Number _____ Expiry Date ____/____/____ Total \$ _____

Cardholder's Name _____

Cardholder's Signature _____

Office Use Only

Supervisor:	Exam ref number:	Postage:
Telephone:	Database entry:	Papers sent:
Confirmation sent:	Paycorp reference:	

mail to

GPO Box 9995, Sydney NSW 2001

fax to

1300 137 802

Kaplan Education Pty Ltd.
ABN 54 089 002 371
1300 662 203
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