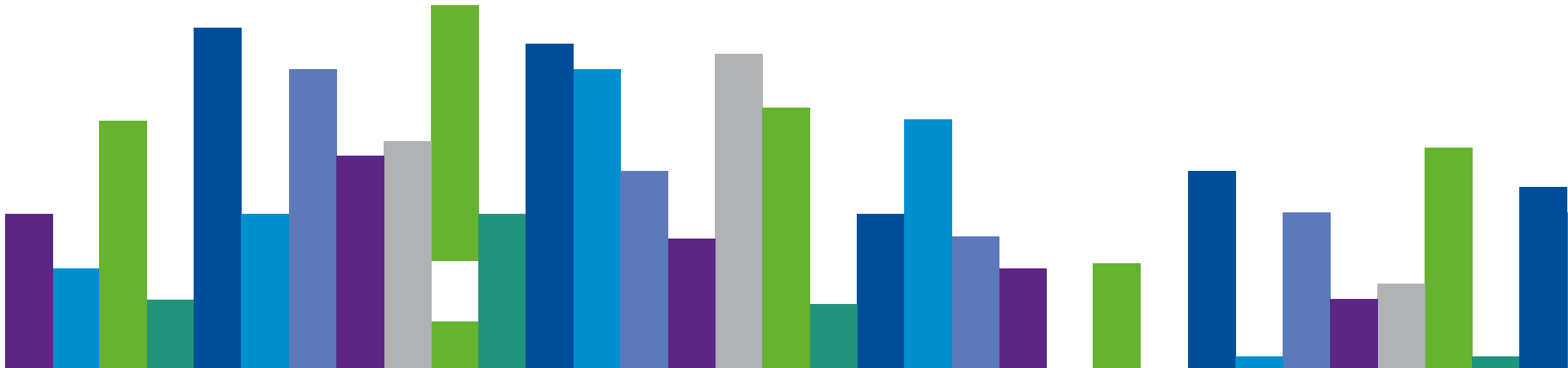


CFA UK CONTINUING PROFESSIONAL DEVELOPMENT POLICY





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WHAT IS IT?

Continuing Professional Development (CPD) is something we all do to develop our knowledge and skills and progress in our careers. Over 70% of CFA Institute members attest to annually completing 20 hours of CPD - including 2 hours of ethics learning.

CFA UK and CFA Institute do not have a mandatory CPD requirement for **members** - learning is encouraged and is **voluntary**.

ROLE OF FIRMS & ACCREDITED BODIES

The FCA requires that firms review on a regular basis employees' **competence** and take appropriate action to ensure that they remain competent for their role. Examples of firm requirements for CPD include:

- 35 hours CPD is mandatory to meet the Retail Distribution Review (RDR) requirements for advising retail clients and maintaining an SPS
- CPD is a mandatory part of the firm's learning policy for all staff though the hours required may vary
- There is no CPD requirement but individuals are encouraged and supported in their learning

The Financial Conduct Authority (FCA) requires **Retail Investment Advisers** to hold a Statement of Professional Standing (SPS). To maintain an SPS individuals must complete **35 hours CPD** annually, with a minimum of 21 structured.

As an accredited body CFA UK has adapted the FCA guidelines on CPD for meeting RDR requirements to produce this CPD Policy. The policy determines what is permissible CPD and how it should be evidenced for RDR covered individuals. 10% of SPS holders' CPD records are audited annually by CFA UK to ensure compliance with the policy.

Where retail investment advisers are undertaking CPD in order to obtain an SPS, CFA UK seeks to **ensure** that **individuals** are **identifying gaps in their knowledge** prior to undertaking learning and, based on this, are determining relevant learning activities that meet their needs and stretch **beyond their daily job activities**.

FCA GUIDANCE ON CPD

All continuing professional development should:

- Be **relevant** to the retail investment adviser's current role
- Address any identified **gaps** in the retail investment adviser's technical **knowledge**
- Have written **learning objectives** based on learning needs and a documented **learning outcome**
- Be **measurable** and capable of being independently **verified**

Areas covered in CPD include:

- Technical knowledge and how to apply it
- Skills and expertise
- Changes to products, legislation and regulation

Examples of unstructured continuing professional development activities include:

- Conducting **research relevant to the individual's role**
- **Reading** industry or other relevant material
- Participating in professional development **coaching or mentoring** sessions

“
FCA: We require all CPD, whether structured or unstructured, to be measurable and to consider learning outcomes.
”

“
FCA on structured CPD: It does not include carrying out research on products and services for your client.
”

Resources:

<https://www.handbook.fca.org.uk/handbook/TC/2/1.html>

<https://www.fca.org.uk/static/documents/policy-statements/fsa-ps11-01.pdf>

<https://www.the-fca.org.uk/professional-standards-advisers>

http://www.fsa.gov.uk/smallfirms/resources/one_minute_guides/financial_advisers/rdr_continuing_prof_dev.shtml

STRUCTURED VS UNSTRUCTURED CPD

STEP 1: IS MY LEARNING CPD?

IS THE LEARNING ACTIVITY RELEVANT TO YOUR DEVELOPMENT?

CPD activities should address your development needs. Once you have reflected on areas for development, you can then identify the types of activities and events that will be relevant.

ARE YOU MAINTAINING A RECORD OF THE EDUCATIONAL ACTIVITY?

You need to ensure that you have good quality CPD records. You may be asked for some or all of these records in the event of an audit.



CPD

IF YOUR ANSWER IS 'NO' TO EITHER OF THE ABOVE QUESTIONS THEN YOUR LEARNING IS NOT CPD



STEP 2: WHAT TYPE OF CPD IS MY LEARNING?

IS THE LEARNING VERIFIABLE?

Structured learning must show evidence of completion. Acceptable evidence includes certificates of attendance, passing a test, or a confirmation from the provider.

DOES THE ACTIVITY HAVE A LEARNING OBJECTIVE?

Learning objectives are gaps you have identified in your knowledge prior to undertaking the activity. They provide specific examples of what you seek to gain from the activity.

IS THE RELEVANT LEARNING MORE THAN 30 MINUTES?

The FCA requires structured learning to be more than 30 minutes in duration. There is no minimum duration for unstructured learning.



STRUCTURED CPD

IF YOUR ANSWER IS 'NO' TO ANY OF THE ABOVE QUESTIONS THEN YOUR LEARNING IS 'UNSTRUCTURED CPD'



STRUCTURED LEARNING EXAMPLES

Where learning activities meet the requirements listed on pages 5-7, the following types of activities can be considered structured learning.

ATTENDING LIVE EVENTS

Compliance, industry or market updates and personal development via:

- Conferences
- Training courses
- Seminars
- Lectures
- Workshops
- Fund manager presentation **market update** >30mins

COMPLETING A QUALIFICATION

- Study time for a qualification if the exam is passed
- Study or revision course completion if attendance is verified

Qualification study is accepted as CPD if not already used for RDR compliance.

READING

- Books
- Articles or journals

Structured when activity completion can be demonstrated.

WATCHING A VIDEO

- Webcasts
- Webinars or any online videos

Structured when an assessment is passed to prove completion.

CONTRIBUTING TO THE PROFESSION

- Chairing or presenting at an industry event
- Developing educational material and writing/ reviewing articles for industry publications

Structured when knowledge is gained by the contributor in the process of preparing/ researching the contribution.

UNSTRUCTURED LEARNING EXAMPLES

ATTENDING LIVE EVENTS

- Fund Manager presentations and meetings on **products and services** are unstructured as learning about these is research related to one's role
- Participating in coaching and mentoring sessions
- Participating as a volunteer in committees

COMPLETING A QUALIFICATION

Study time and attendance of study/ revision courses are unstructured when the exam is not passed.

READING

Reading books, articles or journals is unstructured where there is no assessment or the assessment is not passed.

WATCHING A VIDEO

Webcasts, webinars or any online videos are unstructured where there is no assessment or the assessment is not passed.

NOT CONSIDERED CPD

Activities part of daily role (e.g.)

- Writing articles as a research analyst
- Presenting on one's role
- Running inductions for new starters
- Chairing internal meetings as a member of the leadership team
- Client networking
- Internal committee, forecast, strategy, meetings
- Meetings to discuss investment opportunities

STRUCTURED & UNSTRUCTURED CPD CASE STUDIES

Below are common activity types which may be classed as structured, unstructured or not CPD. Structured activities must be 30+ minutes in duration and have to be verifiable with appropriate evidence. The activity classification is based on the FCA's guidance that research related to one's role and learning about products and services is unstructured CPD.

	EXTERNAL COMMITTEE MEETINGS	EXTERNAL MEETINGS/ CONFERENCES
STRUCTURED	Economic/ market update. If any pre-identified knowledge gaps filled.	Economic/ market update; learning new technical skills/ knowledge through conferences, seminars, workshops, etc.
UNSTRUCTURED	Participating in committee discussions as a volunteer without a pre-determined knowledge gap.	Meeting external representatives to discuss products and services.
NOT CPD		Networking with fund managers/ clients.

FUND MANAGER MEETINGS	INTERNAL MEETINGS	SOFT SKILLS TRAINING/ EVENT	WRITING AN ARTICLE
Economic/ market update.	Economic/ market update from external/ internal speaker.	Development need met to benefit your company and clients e.g. presentation skills workshop to improve quality of client presentations.	For external publications outside one's daily role.
Learning about products and services of the fund manager.	Learning about funds to invest in.		Extra research for internal article written in one's role as an analyst/ other, which enhances knowledge in one's daily role.
	Discussing asset allocation, firm strategy and fund investment outlook.	Completed to improve one's employability e.g. CV improvement session, social networking event.	Writing an article based on existing knowledge for internal firm use as part of one's analyst/ other role.

CFA UK KNOWLEDGE CENTRE

The CFA UK Knowledge Centre offers over 200hrs **free**, high quality learning to help members meet their CPD requirements.

CPD CERTIFICATE PROGRAMMES	10hr structured programmes on equity analysis, asset allocation, wealth management and fixed income. Created by investment professionals.
ARTICLES	CFA UK, CFA Institute and external industry articles earning 30mins structured/ unstructured CPD.
BOOK ASSESSMENTS	Over 20 investment industry book assessments awarding structured CPD.
EVENT SLIDES	CFA UK event slides awarding unstructured CPD.
PODCASTS	CFA UK event audio recordings awarding unstructured CPD.
WEBCASTS	Top CFA UK event video recordings with slides in structured and unstructured format.

<https://learning.cfauk.org/>

CFA UK CPD LOG

CFA UK activities are added automatically to the CFA UK CPD log. Users are able to:

- Download their log
- Print certificates of completion for online learning
- Add external learning and evidence to their log

Edit CPD Activity

Please complete all mandatory fields (*) to ensure your CPD is recorded as complete on the system.

Activity
A Practical Guide to Risk Management - Launch Article

Activity Description
Thomas S. Coleman
This discussion looks at what risk management really means by looking at both the soft management skills and also the...

Learning Objectives (Provided knowledge gaps)

- Describe what is meant by the term 'risk management'
- Recognise the importance of organisations having a consistent risk framework
- Consider the variety meanings of the term risk
- Recognise approaches to better explain risk and to make it more relevant.

Start Date 3/18/2015 **End Date** 5/15/2015 **Activity Status** Completed **Time Spent** 0h 30m

CPD Activity Type Articles **CPD Type** Structured

Learning Outcomes (Knowledge gained, application to role/ clients)

Save Cancel

CFA UK EVENTS

CFA UK runs over 150 live events a year, most of which are free to members and award 1-4hrs CPD.

- Author Series
- Eminent Speakers
- Half Day Conferences
- Masterclasses (academic/ white research papers)
- Personal Development
- Practitioner Series (case studies)
- Women's Network

www.cfauk.org/events

CFA UK CPD AUDIT POLICY

CFA UK issues Statements of Professional Standing (SPS) to retail investment advisors. A CFA UK SPS allows members to advise on securities and/ or derivatives only. To maintain an SPS members must complete 35hrs CPD annually, a minimum 21 of which must be structured. 10% of members who hold a CFA UK SPS are audited annually to ensure their CPD meets the CFA UK CPD Policy requirements.

The CFA UK CPD year runs 01 November to 31 October. Members are only required to submit 35hrs CPD for audit for a given CPD year. Submission of additional hours completed is voluntary.

Members must ensure they have addressed their development needs and outcomes when submitting their SPS application and if picked for audit.

Learning objectives pre-defined knowledge gaps identified prior to undertaking the activity. The activity should address the learning needs identified.

Learning outcomes knowledge gained from the activity (how the learning objectives were met), application of knowledge to role and resulting benefit to clients.

AUDIT CHECKLIST

Have you submitted a CPD log containing:

- ✓ Activity title, duration, date and type (structured/ unstructured)
- ✓ Learning objectives and outcomes (incl. CFA UK activities)
- ✓ Evidence for structured activities

EVIDENCING STRUCTURED CPD

Only structured activities require evidence when an individual's CPD log is audited as part of the SPS issue process. Unstructured CPD does not require evidence. All CFA UK events and online learning activities are logged automatically and do not require evidencing. Here are limited examples of how CPD activities can be evidenced:

ATTENDING LIVE EVENTS, COMPLETING A QUALIFICATION, READING, WATCHING A VIDEO

- Direct written confirmation to CFA UK from the activity provider
- Certificate of attendance/ qualification/ completion

CONTRIBUTING TO THE PROFESSION

- Chairing or presenting at an industry event: notes of preparatory activities and research where knowledge is gained
- Developing educational material and writing/ reviewing articles for industry publications: copies of final content, notes of preparatory activities and research where knowledge is gained

UNSUITABLE EVIDENCE

- Agenda
- Confirmation of activity booking
- Event slides
- Informal emails confirming attendance
- Notes

EVIDENCE CHECKLIST

Does your evidence have:

- ✓ Your name
- ✓ Title of activity as it appears in your CPD log
- ✓ Date of activity
- ✓ CPD hours gained
- ✓ Provider's name and signature

GUIDE TO PREPARING A CPD LOG FOR AUDIT

Check your CPD log for common errors below to ensure your CPD submission for SPS meets the CFA UK CPD policy guidance.

CPD LOG QUERY	QUESTION	SOLUTION
NATURE OF CPD ACTIVITY	<ul style="list-style-type: none"> - Is this activity business as usual? - Is it your responsibility to complete this activity as part of your daily role? - Did you undertake the activity to meet/ network with new fund managers? 	If you answered 'Yes' to any of these questions remove the activity from your CPD log.
STRUCTURED/ UNSTRUCTURED	<ul style="list-style-type: none"> - Is this research related to your role? - Are you meeting with a fund manager(s) to learn about funds/ products to invest in? 	If you answered 'Yes' to any of these questions relabel the activity as unstructured.
STRUCTURED HOURS	<ul style="list-style-type: none"> - Do the hours claimed reflect the hours assigned in the evidence you provided? - Do the hours claimed take into account new knowledge gained only? - Have you removed breaks from the hours claimed? - Was the entire activity relevant to you? 	If you answered 'No' to any of these questions check and adjust the duration to reflect the exact hours earned.
UNSTRUCTURED HOURS	<ul style="list-style-type: none"> - Have you provided an accurate estimate of time spent on an unstructured activity? 	If you answered 'No' adjust the duration to reflect the hours earned.
LEARNING OBJECTIVES	<ul style="list-style-type: none"> - Have you provided a summary/ opinion on a firm? - Have you provided the agenda/ topics covered? - Have you provided a summary of knowledge/ items covered in the activity? - Have you provided a list of speakers? - Have you provided a summary/statement on current economic conditions? - Have you provided a statement on the importance of learning and having an objective? - Have you told us what you learned? - Have you provided a critique/ review of the activity? 	<p>If you answered 'Yes' to any of these questions revise your learning objectives to tell us:</p> <p>Before I undertook this activity I identified the following gaps in my knowledge:</p> <p>(i)</p> <p>(ii)</p> <p>(iii)</p> <p>I therefore sought to learn the following from this activity:</p> <p>(i)</p> <p>(ii)</p> <p>(iii)</p>

CPD LOG QUERY	QUESTION	SOLUTION
LEARNING OUTCOMES	<ul style="list-style-type: none"> - Have you provided a critique/ review of the activity? - Have you only told us what you learned without detailing how you will apply the knowledge to your role or the effect the knowledge will have on your clients? - Have you told us that the knowledge gained will help you advise your clients without detailing how? - Have you stated that the activity met your objectives and will affect your clients without detailing what you learned, how you will apply it and how it will affect your clients? - Have you provided a summary of a fund? 	<p>If you answered 'Yes' to any of these questions revise your learning outcomes to tell us:</p> <p>I learned the following from the activity</p> <p>(i)</p> <p>(ii)</p> <p>(iii)</p> <p>I will apply this new knowledge gained to my daily role and clients in the following ways:</p> <p>(i)</p> <p>(ii)</p> <p>(iii)</p>
EVIDENCE	<p>Does the evidence you provided have any of the following missing:</p> <ul style="list-style-type: none"> - accurate name of the activity as it appears in your CPD log - your name - duration and date of the activity - name and signature of the provider 	If you answered 'Yes' to any of these questions re-submit the evidence with the information required.
EVIDENCE	<p>Is the evidence you provided:</p> <ul style="list-style-type: none"> - a confirmation email of your booking - an informal exchange between you and the provider - a copy of your notes/ presentation slides/ agenda (except for slides/ research notes if you presented) 	If you answered 'Yes' to any of these questions re-submit the evidence with the information required.

FREQUENTLY ASKED QUESTIONS

STATEMENT OF PROFESSIONAL STANDING

WHEN IS THE CFA UK CPD YEAR FOR SPS?

01 November – 31 October.

DO INDIVIDUALS APPLYING FOR THEIR FIRST SPS NEED TO DEMONSTRATE THEY HAVE UNDERTAKEN CPD?

No.

HOW MUCH CPD IS REQUIRED IF I AM RENEWING MY SPS FOR THE FIRST TIME?

35 hours if the first SPS was applied for before 1 Nov the previous year. If it was applied for after 1 November, the first SPS renewal will require pro-rated CPD. Contact sps@cfauk.org to confirm your hours.

I HAVE BEEN AWAY ON LONG-TERM SICKNESS/ MATERNITY LEAVE. DO I HAVE TO SHOW CPD FOR THE PERIOD I WAS AWAY?

No, your CPD requirement will be pro-rated to exclude the period you were away.

WILL MY CPD BE AUDITED?

10% of members who are issued an SPS are randomly audited every year.

DO I HAVE TO SUBMIT EVIDENCE FOR MY CPD TO APPLY FOR AN SPS?

No, evidence is only required for structured CPD if you are picked for audit. CPD logs and evidence have to be made in a single electronic submission in the Knowledge Centre or to cpdaudit@cfauk.org.

CPD

DOES CFA UK HAVE A CPD REQUIREMENT?

No, but learning is encouraged e.g. CFA Institute recommend their members complete 20 hours of continuing education - including 2 hours of ethics annually.

DO I HAVE TO COMPLETE A VARIETY OF CPD ACTIVITIES?

This is encouraged by the FCA and most accredited bodies, including CFA UK. See pages 8 & 9 for examples of activity types.

DO I HAVE TO LOG MY CPD WITH CFA UK?

No, but it is encouraged. CFA UK has over 200hrs CPD in the CFA UK Knowledge Centre and a CPD log. See pages 12 & 13 for more detail.

WHAT IS STRUCTURED AND UNSTRUCTURED CPD?

Please see pages 8 & 9.

HOW MANY CPD HOURS CAN I CLAIM FOR COMPLETING QUALIFICATIONS?

As many as you spent studying, however the compulsory RDR requirement is 35 hours, therefore claiming more is not necessary for SPS purposes. CFA Institute recommends claiming a maximum 40 hours for each level of the CFA Program.

CAN I CLAIM CPD HOURS FOR A QUALIFICATION I HAVE USED TO BECOME RDR COMPLIANT?

No, you cannot double count qualifications for both RDR and CPD.

WHAT TEMPLATE SHOULD I USE TO LOG MY CPD?

ACTIVITY NAME	ACTIVITY TYPE	STRUCTURED/ UNSTRUCTURED	CPD HOURS	COMPLETION DATE	LEARNING OBJECTIVES	LEARNING OUTCOMES

