

NEW ADVISER MONITORING AND SUPERVISION POLICY

Version 1.01

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THE AIM OF THIS POLICY

The aim of this policy is to assist in managing financial planning compliance risk with the appointment of new representatives of Insight Investment Partners. This is achieved through:

- Ensuring new advisers are consistently providing quality financial advice.
- Ensuring new advisers are providing advice in line with all relevant regulatory requirements as well as all licensee advice policy and process requirements.
- Providing new advisers with compliance guidance and coaching in relation to the provision of quality financial advice and adherence to a robust advice process.

WHO THIS POLICY APPLIES TO

This policy applies to all new representatives of Insight Investment Partners (< 6 months or until full endorsed).

WHAT THIS POLICY COVERS

This policy covers:

- Level of Advisers.
- New adviser monitoring and supervision program.
- Advice Review.
- Quarterly Spot Checks.
- Targeted Review.

LEVEL OF ADVISERS

Insight Investment Partners has 3 distinct levels of Financial Adviser. These levels of adviser are determined by the education completed and relevant experience.

A representative must meet the minimum requirements in each area before any consideration to move to a new level can be made.

Should an adviser wish to be considered to be recognised at a new level, the adviser must make an application to the committee, in writing. The adviser must provide evidence of the completed education and/or experience and any other evidence which would support their application.

The committee will then assess the application based on the evidence provided and the adviser's recent performance. Recent performance may include compliance file reviews, adviser conduct and adherence to Insight Group Policies.

The 3 levels of advisers are outlined in the table below:

Junior Financial Planner/Associate Adviser	
Area	Minimum Requirement
Education	Diploma in Financial Planning (RG 146) Relevant Bachelors Degree.
Experience	< 2 years' experience in providing personal advice.
Advice Authorisations	Superannuation, Investment and Insurance only.
Financial Planner	
Area	Minimum Requirement
Education	Advanced Diploma in Financial Planning Relevant Bachelors Degree.
Experience	< 5 years' experience in providing personal advice.
Advice Authorisations	Super, Investment, Insurance plus Gearing, SMSF, Listed Equities, Margin Lending, and Derivatives.
Senior Financial Planner	
Area	Minimum Requirement
Education	Certified Financial Planner (CFP) Relevant Bachelors Degree.
Experience	5 + years' experience in providing personal advice.
Advice Authorisations	Unlimited

NEW ADVISER MONITORING AND SUPERVISION PROGRAM

All new representatives must complete the New Adviser Monitoring and Supervision Program relevant to their level of adviser as follows:

Junior Financial Planner/Associate Adviser	
Area	Minimum Requirement
Advice Review	Minimum of 5 plans in each advice authorisation reviewed by the Compliance Manager before presentation.
Quarterly Spot Checks	Obtain at least an 'orange' rating on 2 consecutive quarterly spot checks.
Targeted Review	Obtain at least an 'orange' in a targeted review.
Financial Planner	
Area	Minimum Requirement
Advice Review	Minimum of 3 plans in each advice authorisation reviewed by the Compliance Manager before presentation.
Quarterly Spot Checks	Obtain at least an 'orange' rating on 2 consecutive quarterly spot checks.
Targeted Review	Obtain at least an 'orange' in a targeted review.
Senior Financial Planner	
Area	Minimum Requirement
Advice Review	Minimum of 2 plans in each advice authorisation reviewed by the Compliance Manager before presentation.

Quarterly Spot Checks	Obtain at least an 'orange' rating on 2 consecutive quarterly spot checks.
Targeted Review	Obtain at least an 'orange' in a targeted review.

- The quarterly spot check will be carried out internally by the Compliance Manager.
- The targeted review will be carried out by an independent, third party, professional compliance provider.

ADVICE REVIEW

Your Compliance Manager will review the Advice Document before authorising the plan to be presented to the client.

Your Compliance Review Manager will work through each file in detail, reviewing all relevant documentation. The contents of the files will be assessed in accordance with regulatory requirements, internal compliance policies and business rules. Your file content will help determine whether you have a robust and repeatable advice process in place for consistently delivering quality advice to your clients.

The issues identified from the file review will be discussed with you. The purpose of this session is for your Compliance Review Manager to provide you with the necessary feedback in relation to their findings.

Any identified weaknesses or gaps in your advice documentation or advice process will be raised, and coaching provided to help aid your understanding if required. The session will also provide you with the opportunity to ask any questions and to discuss any exceptions identified during your review.

Any changes will need to be made before the advice document is again reviewed by the Compliance Manager for presentation.

QUARTERLY SPOT CHECKS

Insight's Compliance Manager carries out quarterly spot checks as part of our Monitoring and Supervision Policy. All new advisers must pass at least 2 quarterly spot checks before undergoing a Targeted Review.

During a spot check, up to two files will be reviewed. If serious issues are found, and additional files may be requested and reviewed to determine the extent of the issue.

In most cases these reviews will take place remotely and you'll be asked to submit your documents by email to your Compliance Manager.

TARGETED REVIEW

The majority of reviews form part of the annual licensee compliance program however occasionally, you might be subject to a targeted review. This will usually focus on either a particular advice type or aspect of the planning process, for example product selection. A targeted review might be triggered

as a result of a request from the Insight Investment Partners management as a result of the following:

- As part of the New Adviser Monitoring and Supervision Program.
- specific issues having been identified by Insight Investment Partners;
- consistent low scoring for consecutive compliance reviews;
- a complaint by a client;
- a pattern of client complaints; or
- a specific request for information or client files from a regulator (e.g. ASIC).

Where you are contacted directly by a regulator (e.g. ASIC) for information or copies of client files, you should immediately contact your Compliance Manager.

Where a targeted review is required, a similar process as noted in this document will apply. However, the number of files reviewed, the time and number of attendees required at the review, and any remediation, may vary. We will communicate the process and these expectations with you, should the need to conduct one of these reviews arise.

WHAT IS THE SCORING AND REVIEW RATING SYSTEM?

Please refer to the Monitoring and Supervision Policy for the scoring and rating system.