

Training Policy

4XHub Ltd

Company: 4XHub Ltd
Registration No: LL16731
License No: MB/20/0055
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VERSION CONTROL

Version Number	Date Updated	Notes
1	August 2021	Original document prepared and finalised in consultation with Sophie Grace Pty Ltd.
2	November 2021	Modified 4XHUB Ltd. (Labuan)
3	November 2022	Revised by Marcus Tan & Co. for Labuan

SECTION A – INTRODUCTION

1. INTRODUCTION

- 1.1 As part of 4XHub Ltd's ("**4XHub**") process to ensure that it continues to maintain the highest levels of professional integrity and ethical conduct, 4XHub has adopted this Training Policy ("**Policy**") for its Responsible Managers ("**RMs**") and Employees.
- 1.2 4XHub has two (2) RMs, Tee How Yee and Ricky Ng. The RMs are responsible for making significant decisions on a day-to-day basis in respect of the provision of financial services to clients under 4XHub's LFSA.
- 1.3 In line with business practices, the RMs may delegate some functions to appropriately trained staff. This delegation does not absolve the RMs from their responsibilities. Where functions are delegated, there must be a direct reporting line to the RMs. The RMs must have enough time available on a day-to-day basis to have direct responsibility for making decisions regarding 4XHub's provision of financial services.
- 1.4 Should the size, nature or direction of the financial services business of 4XHub change, it is understood additional RMs may need to be appointed.
- 1.5 It is the responsibility of Senior Management to ensure that this Policy is communicated to and implemented by all RMs and Employees of 4XHub.

2. WHEN DOES THIS POLICY APPLY?

- 2.1 This Policy applies to all RMs, the Board, officers, and Employees of 4XHub at all times, and the requirements remain in force on an ongoing basis.

3. DEFINITIONS

- 3.1 **4XHub** means 4XHub Ltd and any related bodies corporate that might exist from time to time.
- 3.2 **Employee** means any 4XHub employees, representatives, officers, or directors.
- 3.3 **Representative** means any 4XHub Employee who:
 - (a) provides advice or deals in the financial products authorised under 4XHub's LFSA; and
 - (b) is listed on LFSA's register as an Authorised Representative of 4XHub's LFSA (where applicable).
- 3.4 **Responsible Manager** means any individual nominated on 4XHub's LFSA as being responsible for significant day-to-day decisions about 4XHub's financial services business.

SECTION B – IMPLEMENTING TRAINING STANDARDS

4. KNOWLEDGE OF TRAINING REQUIREMENTS

- 4.1 4XHub recognises that a RM must have the knowledge and skills necessary to ensure that Employees are trained and receive continuous development relevant to their duties.

- 4.2 In addition to the competencies required to meet the requirements of LFSA, 4XHub ensures a RM has those skills and competencies to hold a senior position within a business, including management of 4XHub's Employees and Representatives.
- 4.3 All RMs must keep up to date in relation to the training requirements which apply to 4XHub's business, including any changes to legislation and regulations or industry standards and codes of conduct.
- 4.4 Prior to any appointment, the Board and RM (or delegate(s)) ensures each Employee and/or Representative holds appropriate qualifications for their role. The Board and RM are satisfied the requirements are met by sighting documentation that evidences the Representative's education. This is then referenced against LFSA's Training Register.

SECTION C – MAINTAINING THE TRAINING STANDARDS

5. CONTINUING PROFESSIONAL DEVELOPMENT (CPD)

- 5.1 All RMs and Employees must participate in the 4XHub 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 of 4XHub's LFSA as well as being specific to their role within the organisation.
- 5.2 Each RM and Employee is required to prepare a training plan at least annually for the following twelve (12) month period, which is subject to approval by the Board. Approval includes authorisation for 4XHub to incur any charges associated with attending conferences or training seminars and courses. A training plan may be revised where an RM or Employee's role changes.
- 5.3 Training plans must address how the RM 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 financial 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 RM or Employee's training needs at least annually, in particular where the RM or Employee's functions change;
 - (e) identify gaps or weaknesses in the preceding year and the areas where training will be focused;
 - (f) set objectives to be met, such as the desired changes in the RM or Employee's 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 RM or Employee has met the objectives of the training program in the preceding year; and
 - (i) provide feedback sessions with the RM or Employee about their performance.
- 5.4 Oversight of the training plans will be the responsibility of the RM or Employee's manager, who updates the plan on at least an annual basis after an assessment of the areas for improvement in competence, knowledge and skills, including any gaps in training and the areas which need to be targeted.
- 5.5 Each RM and Employee is required to keep a continuous, up to date and record of the actual training completed by maintaining a Training Register with the Compliance Officer. This is reviewed annually with feedback being provided about progress against the plan. Where gaps are identified between the plan and actual training completed, the RM or Employee is made aware and must rectify the gaps within the next six (6) months
- 5.6 This program is supplemented by attendance at meetings and information sessions offered by regulatory authorities and relevant industry groups.
- 5.7 Relevant publications are made available to the RM and Employees.
- 5.8 The RM and Employees' professional development throughout the year are recorded in their Training Register by the Compliance Officer.
- 5.9 REPRESENTATIVES
- 5.10 The Compliance Officer, in consultation with the RM/s, make training recommendations using the training plan template which assists managers in assessing the appropriate level and method of training required by each Representative.
- 5.11 The Compliance Officer, in consultation with the RM/s, decides what type of knowledge and skill requirements are needed to meet the current tasks and functions performed by each Representative. The Compliance Officer must also bear in mind 4XHub's regulatory obligations and may also consider the training needs of the Representative for any additional roles contemplated or future promotion.
- 5.12 Typically the training requirements are 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.
- 5.13 4XHub provides structured internal training for its Representatives. Internal Training includes internal professional development days, which consist of a variety of topics.
- 5.14 External presenters are industry professionals, who specialise in relevant areas. Additionally, 4XHub's Representatives who have specified industry training and experience may present to other 4XHub Representatives.
- 5.15 4XHub considers formal education relevant to the job function of the Representative. In accordance with 4XHub's Training Register all training courses for people providing financial advice must be approved by LFSA.

5.16 4XHub also considers employing the services of an industry consultant, who provide ongoing technical support and structured training. In addition, Representatives are rewarded based on their attendance at industry seminars and conferences and will be accredited with CPD points.

6. REQUIREMENTS FOR OTHER EMPLOYEES AND TRAINEE REPRESENTATIVES

6.1 4XHub ensures all other Employees have the knowledge and skills to carry out their duties effectively. The educational requirements vary depending on their duties.

6.2 4XHub has a policy of continuous education and ensuring other Employees 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 RM is aware of any additional training requirements in respect of administrative staff and will ensure the training is delivered.

6.3 Other Employees must not provide financial advice to clients of 4XHub. It is the duty of the Compliance Officer, in consultation with the RM/s, 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 RM/Board.

6.4 4XHub ensures all Representatives engage in training and risk awareness activities surrounding 4XHub's compliance obligations.

SECTION D – CONCLUSION

7. REVIEW PROCESS

7.1 This Policy is reviewed regularly by the Compliance Officer, in conjunction with an external compliance consultant, having regard to the changing circumstances of 4XHub, any relevant regulatory changes and to ensure that 4XHub continues to maintain adequate training standards.

7.2 Any changes to this Policy are advised to all Employees at the time. Where necessary, any gap training that needs to be undertaken to reflect the change in circumstances is provided shortly afterwards.

8. POLICY BREACHES

8.1 Breaches of this Policy may lead to disciplinary action being taken against the relevant party, including dismissal in serious cases.

8.2 Employees receive internal training on compliance and their regulatory obligations to 4XHub. Employees are also encouraged to respond appropriately to and report all breaches of the law and other incidents of non-compliance, including 4XHub's policies in accordance with 4XHub's Breaches and Incidents Reporting Policy.

9. RETENTION OF FORMS

9.1 The Compliance Officer retains the completed forms for seven (7) years in accordance with 4XHub's Document Retention Policy. The completed forms are retained for future reference and review.

- 9.2 As part of their training, all Employees are made aware of the need to practice thorough and up to date record keeping, not only as a way of meeting 4XHub's compliance obligations, but as a way of minimising risk.
- 9.3 All Employees must notify the Compliance Officer when their personal details change to ensure an accurate and current record of Employee details.

Issued by 4XHub Ltd

November 2022

APPENDIX 1 – TEMPLATE TRAINING PLAN

4XHUB LTD'S TRAINING PLAN

ANNUAL TRAINING PLAN	
LICENSEE:	4XHub Ltd (LFSA No: 429711)
NAME:	<i>[Name of RM / Employee]</i>
DATE PREPARED:	<i>[Insert date of training plan]</i>
REVIEW DATE:	<i>[Insert review date]</i>

This training plan has been developed for you based on a number of factors, including your role within 4XHub Ltd, the financial services you are responsible for, training requirements, and the industry in which the 4XHub Ltd operates.

TRAINING NEEDS	
<i>[Insert details of the RM or employee's training needs, which is based on the financial services for which they have been appointed.]</i>	
FINANCIAL SERVICES REGIME:	<i>[conduct; disclosure; investment recommendations etc]</i>
FUNDS MANAGEMENT:	<i>[scheme types, e.g., direct real property and financial assets]</i>
FINANCIAL PRODUCTS:	<i>[managed investment schemes; fixed interest; securities etc]</i>
PRACTICE MANAGEMENT:	<i>[business management; sales and marketing; human resources etc]</i>
ETHICS AND PROFESSIONAL CONDUCT:	<i>[client considerations; disclosure obligations; compliance etc]</i>
GENERAL KNOWLEDGE:	<i>[financial markets; economic environments; legal and compliance; taxation etc]</i>

OBJECTIVES TO BE MET

You are required to undertake a minimum of [INSERT NUMBER] of CPD points in each reporting period (12 months).

TRAINING TYPE	EXAMPLE	CPD POINT
<ul style="list-style-type: none"> Publications, such as newsletters, newspapers, magazines or periodicals. 	<ul style="list-style-type: none"> Newsletters or articles published by professional advisers. 	<ul style="list-style-type: none"> 0.25 CPD points per article.

TRAINING TYPE	EXAMPLE	CPD POINT
	<ul style="list-style-type: none"> Relevant newspapers and magazines. 	<ul style="list-style-type: none"> Maximum of 0.5 CPD points per publication. Maximum of 3 CPD points allocated to this category of training in each reporting period.
<ul style="list-style-type: none"> DVD or recorded presentations. 	<ul style="list-style-type: none"> Recorded presentations from conferences or seminars. 	<ul style="list-style-type: none"> 1 CPD point per hour of speaker presentations.
<ul style="list-style-type: none"> Conference, seminar presentation, briefing or workshops. 	<ul style="list-style-type: none"> LFSA seminars and updates; financial services related conferences; seminars and briefings provided by legal/compliance provider; other in-house training. 	<ul style="list-style-type: none"> 1 CPD point per hour *
<ul style="list-style-type: none"> Accredited training. 	<ul style="list-style-type: none"> Short industry course or a tertiary qualification (such as a diploma of financial services). Refer to LFSA's training register for details of approved training providers and courses. 	<ul style="list-style-type: none"> 10 CPD points for a short industry course or a relevant subject from a tertiary qualification.
<p>* Events associated with a conference or seminar are not included in calculating CPD points, e.g. morning tea, lunch, dinner or networking sessions are not included. CPD points must only be awarded to conference sessions, such as speaker presentations.</p>		

CPD points for completed training cannot be carried forward from one reporting period to another. CPD points must be earned in the reporting period. This is to ensure you stay up to date with issues relating to the provision of financial services.

Under some situations, you may be authorised to carry over the requirement to complete up to [INSERT NUMBER] CPD points for any reporting period. This means you can complete as few as [INSERT NUMBER] CPD points in a reporting period. However, you will be required to complete up to [INSERT NUMBER] CPD points in the following reporting period (unless [INSERT NUMBER] CPD points are carried over to the next reporting period). Approval to carry over the requirement to complete CPD points will only be granted in certain circumstances (e.g. due to prolonged sickness).

There are a number of ways in which you are able to earn CPD points, which are as follows:

Once fully completed and signed off, this form is to be filed in the compliance folder. The form will be retained for seven (7) years 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	
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<i>[Provide comments in relation to the annual review of the RM / Employee's compliance with the training plan; and training needs for future annual training plans.]</i>	
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NAME:	<i>[Name of person performing the review]</i>
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POSITION:	<i>[Position of person performing the review]</i>
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DATE:	<i>[Insert date of review]</i>
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SIGNED:	
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APPENDIX 2 – TEMPLATE TRAINING REGISTER

4XHUB LTD'S TRAINING REGISTER

TRAINING REGISTER	
LICENSEE:	<i>4XHub Ltd (LFSA License No: MB/20/0055)</i>
NAME:	<i>[Name of RM / Employee]</i>
DATE PREPARED:	<i>[Insert date of training plan]</i>
REVIEW DATE:	<i>[Insert review date]</i>

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

Once fully completed and signed off, this form is to be filed in the compliance folder. The form will be retained for seven (7) years 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	
<i>[Provide comments in relation to the annual review of the RM / Employee's compliance with the training plan; and training needs for future annual training plans.]</i>	
NAME:	<i>[Name of person performing the review]</i>
POSITION:	<i>[Position of person performing the review]</i>

DATE:	<i>[Insert date of review]</i>
SIGNED:	