



# Compliance Arrangements Policy

Entity: WPP Licensee Services Pty Ltd (**Licensee**)

ABN: 76 649 079 998

AFSL: 530 393

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### Version:

Version	Date	Amendments
1	February 2020	
2	June 2020	Updated compliance arrangements table
3	November 2020	General updates
4	October 2021	Updated Appendix A to include references to new policies

### References:

- REGULATORY GUIDE 104: Licensing: Meeting the general obligations

# 1 Background and purpose of document

## 1.1 Background

Under s912A(1) of the Corporations Act (**Act**), an Australian financial services licensee (**AFSL**) is required to (amongst other requirements):

- (a) do all things necessary to ensure that the financial services covered by the licence are provided efficiently, honestly and fairly;
- (b) comply with the financial services laws;
- (c) comply with the conditions on the licence; and
- (d) take reasonable steps to ensure that its representatives comply with the financial services laws.

## 1.2 Purpose and framework

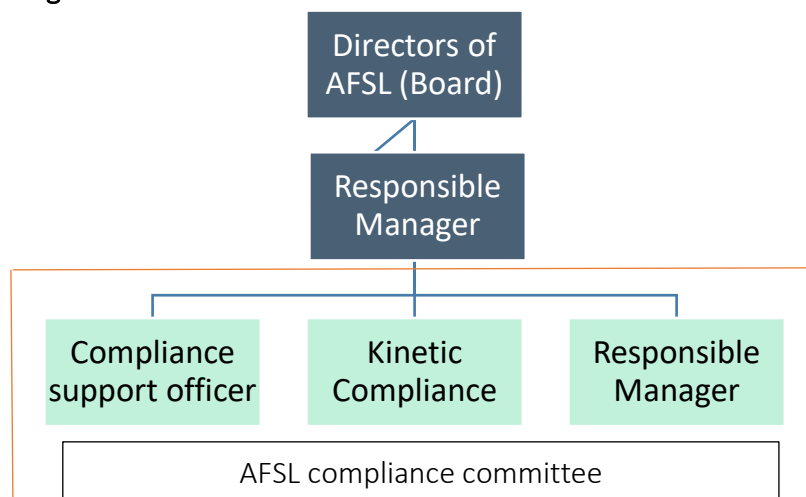
This policy (**Policy**) is developed by the Licensee for the purposes of enabling the Licensee to meet its obligations under the Corporations Act and ASIC guidance.

## 1.3 Responsibility

- (a) The Responsible Manager and the Directors of the Licensee (or its delegate with appropriate experience and seniority) will be responsible for ensuring that the Licensee:
  - (i) meets the requirements of this Policy;
  - (ii) reviews this Policy on an annual basis (unless more immediate updates are required due to legislative or regulatory change).
- (b) In discharging their responsibilities, the Responsible Manager may seek guidance from Kinetic Compliance Pty Ltd as an independent compliance consultant.

# 2 Compliance responsibilities

## 2.1 Reporting lines



### 3 Establishment of the risk and compliance committee

#### 3.1 Objective of the risk and compliance committee (Compliance Committee)

The objective of the Compliance Committee is to:

- (a) oversee and monitor the Licensee’s governance, risk and compliance framework;
- (b) assist the Responsible Manager so he or she can properly discharge his or her duties as the person responsible for risk and compliance under the Licensee; and
- (c) provide a degree of independent oversight in the overall management of risk and compliance.

#### 3.2 Compliance Committee: Composition

- (a) Given the size of the Licensee and the nature of the financial services proposed to be provided, the Compliance Committee will consist of at least the members set out in the table below.
- (b) To ensure there is a degree of independent oversight, the Compliance Committee must, at a minimum, have one independent member who is experienced in risk and compliance related matters. The Licensee has appointed Kinetic Compliance Pty Ltd (**Kinetic**) to hold the role as independent chair (and member) of the Compliance Committee.
- (c) The main function of Kinetic’s role as an independent member of the Compliance Committee is to provide guidance and contribute its knowledge and expertise in maintaining a robust compliance framework for the Licensee.

Member	Role on the Compliance Committee
Responsible Manager(s)	<ul style="list-style-type: none"> <li>• Responsible for ensuring the Licensee meets its legal and regulatory obligations as an AFSL;</li> <li>• Raise and discuss compliance and risk related matters;</li> <li>• Ensuring that matters which that have been resolved for action at the Compliance Committee are actioned;</li> <li>• Assessment of compliance breaches for reporting to ASIC;</li> <li>• Primary contact person for any ASIC enquiry;</li> <li>• Provide training to all staff relating to Compliance and breach reporting; and</li> <li>• Adhere to compliance calendar and ensure the relevant registers are up to date and accurate.</li> </ul>
Kinetic Compliance	<ul style="list-style-type: none"> <li>• Chair the compliance committee as an independent member;</li> </ul>

	<ul style="list-style-type: none"> <li>• Provide guidance in the oversight and monitoring of the Licensee’s governance, risk and compliance framework;</li> <li>• Carry out advice file audits and report results to the Compliance Committee;</li> <li>• Raise and discuss compliance and risk related matters;</li> <li>• Assist in the assessment of compliance breaches for reporting to ASIC;</li> <li>• Provide legal and regulatory updates to the Licensee; and</li> <li>• Assist in the adherence to compliance calendar for the Licensee.</li> </ul>
<b>Compliance Support Officer</b>	<ul style="list-style-type: none"> <li>• Support the Responsible Manager in carrying out his or her role as Responsible Manager;</li> <li>• Record minutes and action items from the Compliance Committee meeting; and</li> <li>• Follow up outstanding matters in Compliance Committees.</li> </ul>

### 3.3 Accountability

- (a) The Responsible Manager, as the person responsible for the day to day operations of the Licensee, is responsible for compliance relating to the Licensee and is directly accountable to director(s) of the Licensee, including dealing with compliance issues reported to it by all staff.
- (b) It is recognised that as an independent member of the Compliance Committee, Kinetic does not have the capacity or responsibility to effect and implement action items on behalf of the Licensee. Kinetic and the Licensee must at all times recognise that primary responsibility for compliance rests with the Responsible Manager who is accountable to the directors of the Licensee.

### 3.4 Compliance Committee meetings

- (a) The Compliance Committee will meet at least four (4) times per year to consider matters relevant to compliance.
- (b) A meeting agenda is to be prepared prior to each meeting and shall cover at the following:
  - (i) Outstanding agenda items;
  - (ii) External file review results;
  - (iii) Review of risk management;
  - (iv) Legal and regulatory updates;

- (v) Review of registers for the relevant quarter; and
- (vi) Review of matters in the set out in Responsible Manager Quarterly Questionnaire.
- (c) A quorum meeting must consist of a member from Kinetic Compliance.
- (d) Meetings can be held in person, by telephone or by video conference.
- (e) Meetings of Compliance Committee meetings must be minuted and action items recorded.

## 4 Compliance Framework

### 4.1 Compliance framework

The Responsible Managers must ensure that the Licensee complies with its legal and regulatory obligations. To assist the Responsible Manager, the Licensee has set out in Appendix A to describe its compliance arrangements framework.

### 4.2 Policies and procedures

- (a) In addition, the Licensee has also developed the policies set out in Appendix A to ensure it meets its legal and regulatory obligations. These policies will be reviewed and updated at least annually by the Compliance Committee.
- (b) The Responsible Manager is responsible for:
  - (i) ensuring that staff members of the Licensee are familiar with the policies;
  - (ii) ensuring that representatives are familiar with the policies that apply to them;
  - (iii) ensuring compliance with the policies.
- (c) The Licensee will review the key policies on an annual basis to ensure the policies are up to date and reflect contemporary legal and regulatory requirements.

### 4.3 Legal and regulatory updates

The Licensee will ensure that updates to legal and regulatory requirements are brought to its attention. Where matters require further action or resolution, the Licensee may seek further advice prior to taking steps to implement changes.

### 4.4 Breaches

Where compliance breaches have been identified, the Licensee will ensure:

- (a) breaches are remediated;
- (b) steps are taken to mitigate future breaches; and  
breaches are reviewed and assessed in accordance with the Breach reporting and consequences management policy to determine whether the breach is required to be reported to ASIC.

## Appendix A: Description of compliance arrangements

Compliance obligation	Procedures for maintaining compliance		Responsibility	Frequency
	Policy	Tools to help comply with policy		
<b>Arrangements for management of conflict</b>	Conflicts of interest policy (AFSL) Conflicts of interest policy (Adviser)	Conflicts declaration (AFSL & Adviser) Conflicts management plan Alternative remuneration and soft dollar register	Responsible Manager with assistance from Compliance Committee	Quarterly
<b>Take reasonable steps to ensure representatives comply with financial services laws</b>	Monitoring & supervision policy Adviser conduct policy Ongoing service, written consent, fee disclosure statement policy Fixed Term Agreements policy Representative appointment and termination policy Product distribution and research policy	Client file checklist Advice preparation form Advice audit report (for advice audits) External audit register Representative appointment checklist Representatives register Significant dealings / product complaints register RM quarterly questionnaire	Responsible Manager with assistance from Compliance Committee	Quarterly

<b>Have adequate resources</b>	Information technology and human resources policy Outsourcing policy	Outsourced services register	Responsible Manager	Annually
<b>Comply with financial requirements</b>	Financial resources policy	Cashflow forecast Balance sheet	Responsible Manager	Monthly
<b>Breach reporting</b>	Breach reporting and consequences management policy	Breach assessment checklist Breach register	Responsible Manager with assistance from Compliance Committee	At least annually
<b>Maintain competence</b>	Responsible Manager and organisational competence and fit and proper persons policy	Periodic background checks Statement of personal information Organisational competence register	Responsible Manager	At least Annually
<b>Ensure representatives are adequately trained</b>	Continuous professional development (CPD) Policy	Adviser CPD Plan	Responsible Manager	At least Annually
<b>Have adequate dispute resolution and professional indemnity</b>	Dispute resolution policy Professional indemnity insurance	Complaints register	Responsible Manager	At least Annually
<b>Have adequate risk management</b>	Risk management policy	Risk register	Responsible Manager with assistance from Compliance Committee	Quarterly



<b>Comply with AML/CTF obligations</b>	AML/CTF Program	Suspicious matter reporting register FSC identity verification form	Compliance Committee AML Officer	At least Annually
<b>Comply with Privacy obligations</b>	Privacy Policy		Responsible Manager	At least Annually
<b>Comply with licence conditions &amp; financial services laws</b>	See all policies above.	Compliance calendar Compliance hub	Responsible Manager with assistance from Compliance Committee	At least Annually