REGULATED ACTIVITIES - TRAINING & DEVELOPMENT POLICY

POLICY STATEMENT & PURPOSE

BSP Motor Vehicles Ltd follow a training and competence program to ensure that all staff carrying out regulated activities, receive adequate and ongoing training and are competent in the role they perform. We believe that our approach to training provides for focused and engaged staff. In the frequently changing financial services and regulatory environment, employees need to replenish their knowledge and acquire new skills to do their jobs better. A collaborative approach of company provided opportunity, facilitation and measurement, along with employee commitment to personal development is key to the delivery of positive outcomes for our customers and long term benefits for our employees and the business.

SCOPE

This policy applies to all employees involved in regulated activities within BSP Motor Vehicles Ltd and all its subsidiary companies:

LEGAL CONTEXT

The Financial Conduct Authority (FCA) expects authorised firms to conduct their business within its rules and Principles for Business and with TCF outcomes at the heart of their culture.
To ensure that these principles and TCF outcomes are met, the FCA has set out specific rules and guidance around training and competence, these can be found in many areas across the FCA Handbook with detailed rules and guidance in the Training & Competence Sourcebook (TC).

BSP Motor Vehicles Ltd is responsible for providing adequate and sufficient training to enable employees to be competent in their role and for the continual monitoring of competence to demonstrate and evidence that legislative and guidance requirements are being met. BSP Motor Vehicles Ltd has appropriate procedures in place to monitor and record training and competence in line with FCA requirements and recognises the following:

- *A firm must ensure that it and each relevant employee possesses appropriate knowledge and ability in order to complete their tasks and perform their duties adequately.*
- *A firm must ensure that it and each relevant employee complies with continued professional training and development requirements in order to maintain an adequate level of performance corresponding to the role they perform and the relevant market.*
- *A firm must ensure that each relevant employee completes a minimum of 15 hours of professional training or development relating to insurance distribution activities in each 12 month period.*

INDIVIDUAL RESPONSIBILITY

Individual: All personnel are required to follow the training program provided with commitment and due diligence and with recognition of their responsibilities and conduct under the FCA regulatory regime.

APPLICATION

The following training and competency procedures are in place as a minimum requirement to ensure that all employees involved in non-investment general insurance and / or the sale of consumer credit activities are knowledgeable and competent in their roles.

Coaching

BSP Motor Vehicles Ltd recognise the importance of the regular assessment of competence. The departmental management team supervises all interaction with customers and is able to advise and coach sales personnel when and if required. Regular on-going coaching is provided in regard to regulation, sales practices and Treating Customers Fairly (TCF).

E – Learning

All sales staff and those responsible for their management are required to complete e-learning on a minimum annual basis, via the Catalyst-DBC platform, in order to ensure ongoing competence. Staff complete a set of eLearning courses providing detailed learning content in regard to; finance and insurance legislation, regulations and conduct & TCF.

The learning content is followed by an 'exam-style', multiple choice assessment where questions are randomly selected from a question bank. Referral back to learning content is not available during the assessment.

Each course is assigned a pass mark of 75%. The system allows the individual to review any incorrect answers in order to target the area of learning content for review before further attempts are taken.

The learning management system provides specific feedback on assessment scores, time taken to complete and number of attempts. Completion is monitored to identify any employee who may require further or alternative methods of training and coaching; this will then be provided by departmental managers or our third-party product representatives

Should new regulation or changes to existing regulation be introduced, additional courses will be added to the Catalyst-DBC platform and all relevant members of staff informed , supported and monitored for completion.

- **Ongoing Competence Assessment**
  In additional to ongoing competence observations through deal-by-deal supervision, each employee is formally assessed for competence in regard to FCA regulated activities by a minimum of one scored observation of practice per annum.

  The results of these observations are collated and reviewed by Management and appropriate action taken in regard to training and development processes.
  Additionally, documentation procedural adherence is monitored by deal-file audits (detailed separately).

- **New Employees**
  Following the recruitment of a new member of the sales team, the employee is provided with an individual Catalyst-DBC account and enrolled on courses which provide knowledge on

products, TCF and all relevant FCA regulatory requirements.

Within 4 weeks of commencing employment, training will also be received from the employees line manager in regard to FCA regulatory processes and from the business's Insurance and Finance partners in regard to product knowledge and procedures.

Additionally, all new sales staff will be provided with training and coaching by Managers and senior sales staff during their induction period.

To be deemed competent in their role, the employee must have:

- completed and passed the required e-learning assessments for these training courses
- received training in regard to FCA regulatory processes
- received training in regard to product knowledge and procedures
- been observed in live customer scenarios and satisfied their line Manager that they are competent in regard to FCA compliance

Until the employee has fulfilled all these requirements, they must not present or discuss any finance or insurance products with customers unless under the close supervision of a competent employee who has themselves completed and passed all relevant assessments

Implementation

This policy takes effect immediately. All managers should ensure that staff are aware of this policy and its requirements. If staff have any queries in relation to the policy, they should discuss this with their line manager or the Director.

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Retention

This policy will be reviewed periodically and historical records retained for 6 years.