

**Guide to CFP<sup>CM</sup> Certification**  
*[India]*



## The Roadmap to Certification

FPSB® Integrated Financial Planning course prerequisites

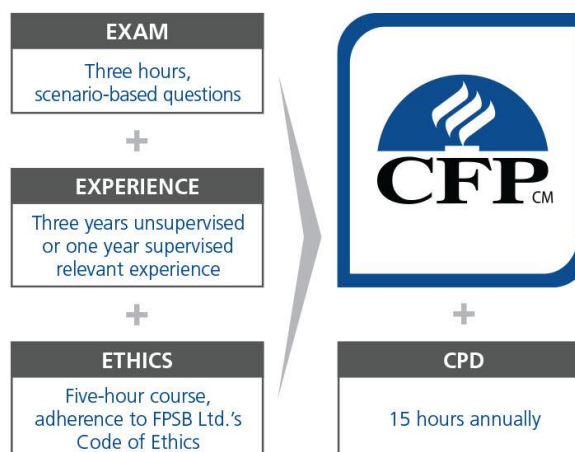


### EDUCATION

- 1 **The Financial Planning Process**
  - Financial Planning Process
  - Practice Standards
  - Professional Skills
  - Client Characteristics
  - Client Engagement and Communication
  - Critical Thinking
- 2 **Engaging Clients for Life**
  - Introduction to the Discovery Process
  - Appreciative Inquiry
  - Discovery Process Applied
  - Goal Determination, Refinement and Setting
  - Develop Financial Planning Recommendations
  - Presenting Recommendations to Clients
- 3 **Developing Effective Financial Plans**
  - Financial Planning Overview
  - Financial Plan Elements
  - Developing Effective Plans
  - Sample Financial Plans
  - Financial Plan Assessment

Are you ready for a world-class learning experience and certification brought to you by Financial Planning Standards Board Ltd., the standards-setting body for the global financial planning profession? Taken through an Authorized Education Provider, the FPSB® Integrated Financial Planning course prepares you to draw on the knowledge gained through FPSB Ltd.'s specialist education tracks (investment planning; retirement and tax planning; and risk and estate planning) to develop strategies to help clients achieve their financial and life goals.

The course teaches you to integrate technical topics, behavioral finance principles and client engagement skills to build relationships of trust; identify client goals, needs and objectives; and develop effective financial plans. With CERTIFIED FINANCIAL PLANNER<sup>CM</sup> certification, the global symbol of excellence in financial planning, you will join a growing international community of ~190,000 professionals who are recognized by employers, clients and the public for their superior skills and knowledge, for their commitment to ethics and professionalism, and for putting their clients' interests first.




Financial Planning Standards Board Ltd. owns the CFP<sup>CM</sup>, CERTIFIED FINANCIAL PLANNER<sup>CM</sup> and CFP<sup>CM</sup> marks in India, and permits qualified individuals to use these marks in India to indicate that they have met FPSB's initial and ongoing certification requirements.

Learn more at [india.fpsb.org](http://india.fpsb.org)

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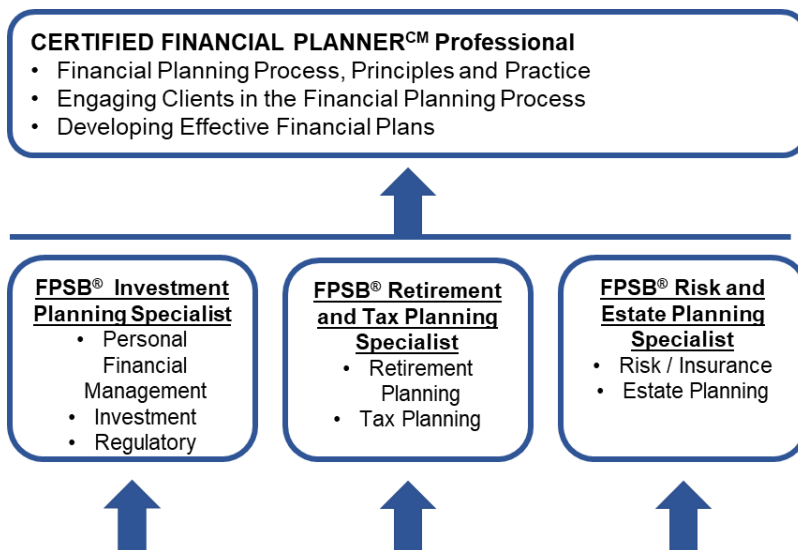
## About FPSB and Our Programs in India

Financial Planning Standards Board Ltd. (FPSB) is a global, nonprofit standards-setting body for the financial planning profession, and owner of the CFP<sup>CM</sup>, CERTIFIED FINANCIAL PLANNER<sup>CM</sup> and  marks outside the United States, including in India.

FPSB and its network of affiliate organizations develop and deliver education and certification programs, and establish, uphold and promote professional standards in financial planning, to benefit the global community. We have programs in Australia, Austria, Brazil, Canada, Chinese Taipei, Colombia, France, Germany, Hong Kong, India, Indonesia, Ireland, Israel, Japan, Malaysia, New Zealand, the Netherlands, the People's Republic of China, Peru, the Republic of Korea, Singapore, South Africa, Switzerland, Thailand, Turkey, the United Kingdom and the United States, and a global community of almost 200,000 CERTIFIED FINANCIAL PLANNER professionals worldwide, with over 2,000 in India.

The CERTIFIED FINANCIAL PLANNER credential is the most desired and respected global certification for those seeking to demonstrate their commitment to competent and ethical financial planning practice. CFP professionals meet initial and ongoing education and experience and professional development requirements, pass a rigorous exam that assesses competency, and adhere to a code of ethics, pledging to provide financial planning in the interests of clients and with the highest ethical and professional standards. CFP professionals are part of a growing global community of financial services practitioners who place clients' interests first as part of their commitment to professionalism, and who embrace FPSB's Code of Ethics and Professional Responsibility and Financial Planning Practice Standards.

You can begin your journey toward CFP certification by registering with FPSB to begin the coursework for any of our three pathway certifications (FPSB<sup>®</sup> Investment Planning Specialist, FPSB<sup>®</sup> Risk and Estate Planning Specialist, and FPSB<sup>®</sup> Retirement and Tax Planning Specialist) and then completing the FPSB<sup>®</sup> Integrated Financial Planning course and CFP certification exam.



## CERTIFIED FINANCIAL PLANNER<sup>CM</sup> Certification Overview

### Take Your Career to the Next Level

CERTIFIED FINANCIAL PLANNER professionals meet initial and ongoing education, experience and professional development requirements, pass a rigorous exam that assesses competency, and adhere to a code of ethics, pledging to provide financial planning in the interests of clients and with the highest ethical and professional standards. To achieve CFP certification in India, individuals need to:

- Complete each of the following three specialist certifications:
  - [FPSB<sup>®</sup> Investment Planning Specialist](#): This course prepares you to develop strategies to help clients optimize their risk profile, financial capacity and constraints. It covers topics that include types of securities; investment theory and practice; portfolio construction and management; investment strategies and tactics; and securities laws and regulatory compliance.
  - [FPSB<sup>®</sup> Retirement and Tax Planning Specialist](#): This course prepares you to develop strategies to help clients optimize their wealth accumulation and cash flow leading up to and during retirement, and to advise on the role of tax planning in supporting client goals. The course teaches you to consider your clients' personal financial goals, risk tolerance and risk capacity, asset locations, the structure and impact of public and private retirement plans, and how taxation will affect your clients' financial situation and goals.
  - [FPSB<sup>®</sup> Risk and Estate Planning Specialist](#): This course teaches you to understand and evaluate your clients' legal, tax, financial and insurance position, along with the impacts of non-financial issues, to guide clients on how to conserve and transfer wealth, consistent with client goals.
- Complete the FPSB<sup>®</sup> Integrated Financial Planning course: This course prepares you to draw on the knowledge gained through FPSB's specialist courses to develop strategies to help clients achieve their financial and life goals. The course teaches you to integrate technical topics, behavioral finance principles and client engagement skills to build relationships of trust; identify client goals, needs and objectives; and develop effective financial plans. Candidates who are at least 18 years old and have successfully completed the FPSB specialist certifications (or who have completed equivalent courses and exams in FPSB's legacy program) can register for the course.
- Pass the CFP Certification exam
- Complete the FPSB ethics course
- Satisfy FPSB's work experience requirement – three years (unsupervised) or one year (supervised)
- Agree to comply with FPSB Ltd.'s Code of Ethics and Professional Responsibility
- Hold a graduate degree from a University Grants Commission (UGC) recognized University in India, or an equivalent degree program from a recognized University outside India, to apply for CFP certification in India
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To maintain certification and the right to use the CERTIFIED FINANCIAL PLANNER and CFP marks, you will need to: maintain your professional skills, abilities and competency through continuing professional development (CPD) activities; continue to adhere to FPSB Code of Ethics and Professional Responsibility and Financial Planning Practice Standards; and use the CFP<sup>CM</sup> marks correctly.

## Step 1. Education

CERTIFIED FINANCIAL PLANNER <sup>CM</sup>			
1) Education	2) Exam	3) Experience	4) Ethics
<p>Instructor-led learning with FPSB Authorized Education Provider or self-paced learning with / without a mentor</p> <p>Graduate degree required at time of certification</p>	<p><i>Areas of Practice</i></p> <ul style="list-style-type: none"> <li>-Integrated Financial Planning</li> <li>-FPSB Financial Planning Practice Standards</li> </ul>	<p>Relevant work experience in the financial planning process (three years unsupervised; one year supervised)</p>	<p>FPSB Professional Ethics Course (online)</p> <p>Agree to abide by FPSB's Code of Ethics and Professional Responsibility, Financial Planning Practice Standards, Rules of Conduct and marks use rules</p>

Once you have successfully met the registration criteria, you may enroll in the FPSB<sup>®</sup> Integrated Financial Planning course, made up of the following modules: Financial Planning Process, Principles and Practice; Engaging Clients in the Financial Planning Process; and Developing Effective Financial Plans modules.

FPSB will provide you with digital textbooks and supplemental course materials through our online learning portal, MyFPSB*learning*. All FPSB education materials are aligned to the CERTIFIED FINANCIAL PLANNER<sup>CM</sup> learning objectives described in [Appendix A \(competencies\)](#) and [Appendix B \(learning objectives\)](#). All candidates are required to purchase these materials.

Candidates may select “Instructor-Led Learning” when registering for the FPSB<sup>®</sup> Integrated Financial Planning course, or may choose to pursue the self-paced learning option. FPSB Authorized Education Providers offer classroom and online education experiences. When registering for the course through Instructor-Led Learning, you will be asked to select from amongst FPSB’s Authorized Education Providers, which are also listed on the FPSB website. It is presumed that self-paced candidates would use own resources to acquire skills to construct a financial plan and prepare for CFP exam. Both self-paced and instructor-led candidates may seek mentorship from CFP professionals who have agreed to support FPSB<sup>®</sup> Integrated Financial Planning course candidates. For details on the mentorship program, contact FPSB.

### Education Topics

The FPSB<sup>®</sup> Integrated Financial Planning course teaches you how to meaningfully engage clients, identify their needs, objectives and goals, and deliver viable financial plans. The course allows candidates to explore both the art and science of practicing financial planning by drawing

on candidates' knowledge of financial planning topics, while using appropriate professional skills and engaging in various tasks required during successful financial planning engagements.

While completion of a viable written financial plan is a key outcome for candidates, the skills of listening, inquiry, probing, engaging, framing, committing and presenting are key to successfully engaging clients and therefore form an integral part of the course. The course also covers techniques and methods to guide candidates on how to appropriately apply [FPSB's Financial Planning Practice Standards](#) and comply with legal and regulatory requirements applicable to financial planning engagements in India.

The three modules in the FPSB<sup>®</sup> Integrated Financial Planning course must be taken in sequential order, as listed below.

Module names	Module Descriptions
<p>Module 1: Financial Planning Process, Principles and Practice</p>	<p>This course will teach candidates the Financial Planning Process, Practice Standards, Professional Skills, Client Characteristics, Client Engagement and Communication components of financial planning,</p> <ol style="list-style-type: none"> <li>1. Establish and define the relationship with the client</li> <li>2. Collect the client's information</li> <li>3. Analyze and assess the client's financial status</li> <li>4. Develop the financial planning recommendations and present them to the client</li> <li>5. Implement the client's financial planning recommendations</li> <li>6. Review the client's situation</li> </ol>
<p>Module 2: Engaging Clients in the Financial Planning Process</p>	<p>This course is about the human qualities of the financial planning process that sometimes create the unknowns and difficulties contained within financial planning. The course should help candidates understand the relationship between the financial planner and the client as it comes to life.</p>
<p>Module 3: Developing Effective Financial Plans</p>	<p>This course provides candidates with an understanding of how a financial planner would apply the financial planning process within the context of a client engagement to develop and deliver a viable financial plan. Candidates will get an appreciation for the value of professional standards of practice; recognize and be able to apply professional skills to facilitate better communication; and come to understanding how client characteristics / behavioral aspects can impact financial planning recommendations.</p>

The three modules that make up the FPSB<sup>®</sup> Integrated Financial Planning course will prepare candidates to:

- Provide training and learning opportunities on how to identify and apply the appropriate skills, knowledge and abilities needed to develop viable, written financial plans for clients;
- Prepare candidates to apply their understanding of financial planning theory and the body of knowledge for financial planning to real world client situations (the course is designed to integrate financial planning theory and practice); and
- Emphasize analysis of quantitative and qualitative data, critical thinking regarding clients' circumstances, and the presentation of information and subsequent recommendations to a client.

FPSB <sup>®</sup> Integrated Financial Planning Course		
Financial Planning Process, Principles and Practice	Engaging Clients in the Financial Planning Process	Developing Effective Financial Plans
<ul style="list-style-type: none"> <li>• Financial Planning Process</li> <li>• Practice Standards</li> <li>• Professional Skills</li> <li>• Client Characteristics</li> <li>• Client Engagement and Communication</li> <li>• Critical Thinking</li> <li>• Regulatory Environment of Financial Planning - India</li> </ul>	<ul style="list-style-type: none"> <li>• Introduction to the Discovery Process</li> <li>• Appreciative Inquiry</li> <li>• Discovery Process Applied</li> <li>• Goal Determination, Refinement and Setting</li> <li>• Develop Financial Planning Recommendations</li> <li>• Presenting Recommendations to Clients</li> </ul>	<ul style="list-style-type: none"> <li>• Financial Planning Overview</li> <li>• Financial Plan Elements</li> <li>• Developing Effective Financial Plans</li> </ul>

### The Financial Plan Assessment

The FPSB<sup>®</sup> Integrated Financial Planning course will prepare you evaluate a fictitious client's financial situation, goals, needs and objectives; determine key areas that need to be addressed in a written financial plan; identify what additional information is needed to develop a viable financial plan; and develop strategies and recommendations and present them in writing in a manner understandable to the client. . Once you have successfully developed and been assessed on the financial plan, you can apply to sit for the CFP certification exam.



## Step 2. Exam

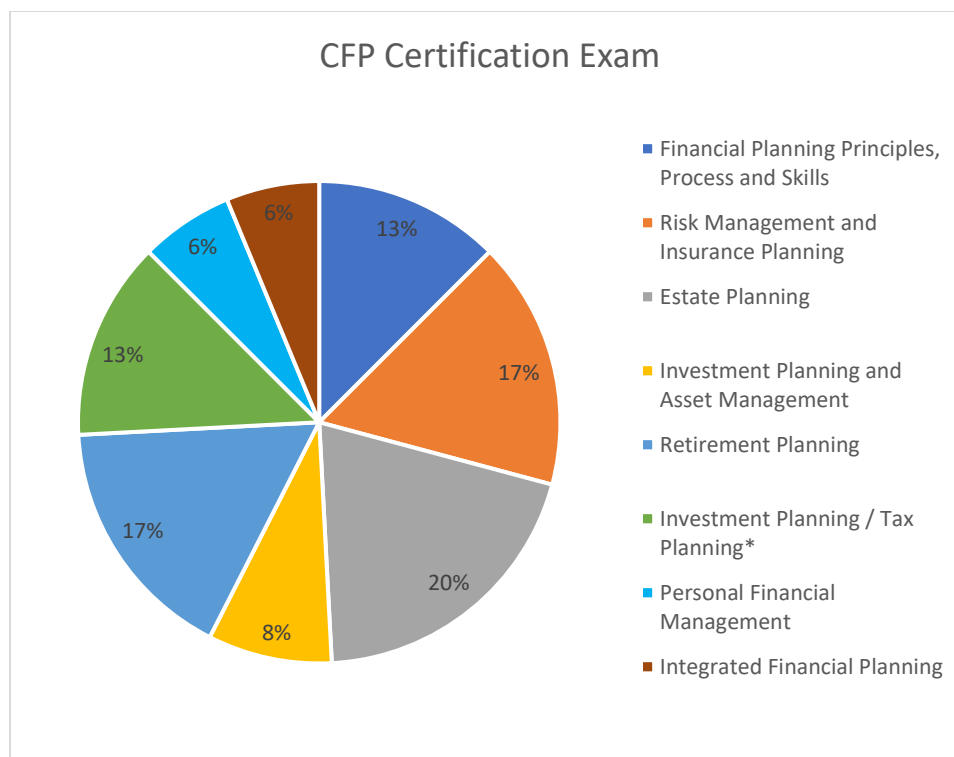
CERTIFIED FINANCIAL PLANNER <sup>CM</sup>			
1. Education	2. Exam	3. Experience	4. Ethics
<p>Instructor-led learning with FPSB Authorized Education Provider or self-paced learning with / without a mentor</p> <p>Graduate degree required at time of certification</p>	<p><i>Areas of Practice</i></p> <ul style="list-style-type: none"> <li>-Integrated Financial Planning</li> <li>-FPSB Financial Planning Practice Standards</li> </ul>	<p>Relevant work experience in the financial planning process (three years unsupervised; one year supervised)</p>	<p>FPSB Professional Ethics Course (online)</p> <p>Agree to abide by FPSB's Code of Ethics and Professional Responsibility, Financial Planning Practice Standards, Rules of Conduct and marks use rules</p>

Upon successful completion of the FPSB<sup>®</sup> Integrated Financial Planning Course and individual financial plan assessment, you will be able to sit for the CFP exam.

The CFP<sup>®</sup> exam assesses the level of knowledge, skill and ability needed to practice financial planning without supervision, as outlined in FPSB's Financial Planner Competency Profile. While each question on the CFP exam focuses primarily on an element of competency from the FPSB Financial Planner Competency Profile (Appendix A), questions on the exam may require you to integrate across several financial planner competencies.

### CFP<sup>®</sup> Exam Overview

- The CFP exam is three hours long
- The CFP exam consists of two sections:
  - A section with a case study with 25 multiple choice questions based on the case study
  - A section consisting of 25 multiple choice questions on the financial planning process and regulations
- The CFP exam is multiple-choice format; each question has four possible answers, one of which is clearly the best choice
- The CFP exam is delivered via computer-based testing
- Computer embedded worksheets are allowed as well as financial calculators (once data is erased).



<b>Section 1 – Case Study</b>	<b>Section 2 – Financial Planning Standards</b>
<p>One comprehensive case on Integrated Financial Planning (with 25 multiple-choice questions)</p> <p>The questions will integrate across:</p> <ol style="list-style-type: none"> <li>1. Risk Management and Insurance Planning</li> <li>2. Estate Planning</li> <li>3. Investment Planning and Asset Management</li> <li>4. Retirement Planning</li> <li>5. Tax Planning</li> <li>6. Personal Financial Management</li> <li>7. Integrated Financial Planning</li> </ol>	<p>25 multiple-choice questions (MCQs) on Financial Planning Principles, Process, Skills, and Regulatory Environment of Financial Planning - India</p>
<p><u>Section duration:</u> Approximately 2.5 hours (~6 minutes per MCQ)</p>	<p><u>Section duration:</u> Approximately 30 minutes (~1 minute per MCQ)</p>

Questions on the CFP exam will be generally weighted as follows:

### Part 1 - Integrated Financial Planning - Reflective Distribution



### Areas of Practice / Competencies

The CFP Exam will test the following competencies through case study and multiple-choice questions. Refer to FPSB's Financial Planner Competency Profile for more detailed descriptions.

Part 1. Integrated Financial Planning	
Risk Management and Insurance Planning	<ul style="list-style-type: none"> <li>Assess the client's risk exposure against current insurance coverage and risk management strategies</li> <li>Assess the implications of changes to insurance coverage</li> <li>Prioritize the client's risk management needs</li> <li>Develop risk management strategies</li> <li>Evaluate advantages and disadvantages of each risk management strategy</li> </ul>
Estate Planning	<ul style="list-style-type: none"> <li>Analyze constraints to meeting the client's estate planning objectives</li> <li>Compare potential estate planning strategies</li> <li>Assess the specific needs of beneficiaries</li> <li>Develop estate planning strategies, including living estate planning</li> <li>Evaluate the advantages and disadvantages of each estate planning strategy</li> <li>Prioritize action steps to assist the client in implementing estate planning recommendations</li> </ul>
Investment Planning and Asset Management	<ul style="list-style-type: none"> <li>Develop asset management strategies</li> <li>Select appropriate investment vehicles to implement the recommended strategy</li> <li>Prioritize action steps to assist the client in implementing asset management recommendations</li> <li>Prepare an Investment Policy Statement</li> </ul>

<p>Retirement Planning</p> <ul style="list-style-type: none"> <li>• Develop financial projections based on current position, including any gap between income needs and funding</li> <li>• Evaluate advantages and disadvantages of each retirement planning strategy</li> <li>• Prioritize action steps to assist the client in implementing retirement planning recommendations</li> <li>• Discuss with the client the impact of changes in assumptions on financial projections</li> <li>• Discuss Retirement Cash Flow, Withdrawal Projections and Strategies</li> </ul>
<p>Tax Planning</p> <ul style="list-style-type: none"> <li>• Analyze existing and potential tax strategies and structures for suitability</li> <li>• Assess financial impact of tax planning alternatives</li> <li>• Develop tax planning strategies</li> <li>• Evaluate advantages and disadvantages of each tax planning strategy</li> </ul>
<p>Personal Financial Management</p> <ul style="list-style-type: none"> <li>• Assess debt and financing alternatives</li> <li>• Develop financial management strategies</li> <li>• Evaluate advantages and disadvantages of each financial management strategy</li> </ul>
<p>Integrated Financial Planning</p> <ul style="list-style-type: none"> <li>• Determine the client's attitudes, biases, drivers and level of financial sophistication</li> <li>• Examine the impact of economic, political and regulatory environments</li> <li>• Prioritize recommendations from the financial planning components to optimize the client's situation in light of the client's goals</li> </ul>
<p><b>Part 2. FPSB Financial Planning Practice Standards</b></p>
<p>Financial Planning Process, Principles and Practice</p> <ul style="list-style-type: none"> <li>• Professional Skills</li> <li>• Client Characteristics</li> <li>• Client Engagement and Communication</li> <li>• Critical Thinking</li> <li>• Regulatory Environment of Financial Planning</li> </ul>
<p>Regulatory Environment of Financial Planning – India</p> <ul style="list-style-type: none"> <li>• Legal and Professional Requirement of advice</li> <li>• Advice for different products under respective regulations</li> <li>• SEBI (Investment Advisers) Regulations, 2013</li> <li>• Investment Advisers Regulations and FPSB's Financial Planning Process</li> <li>• Other relevant regulations and norms related to the practice environment</li> </ul>

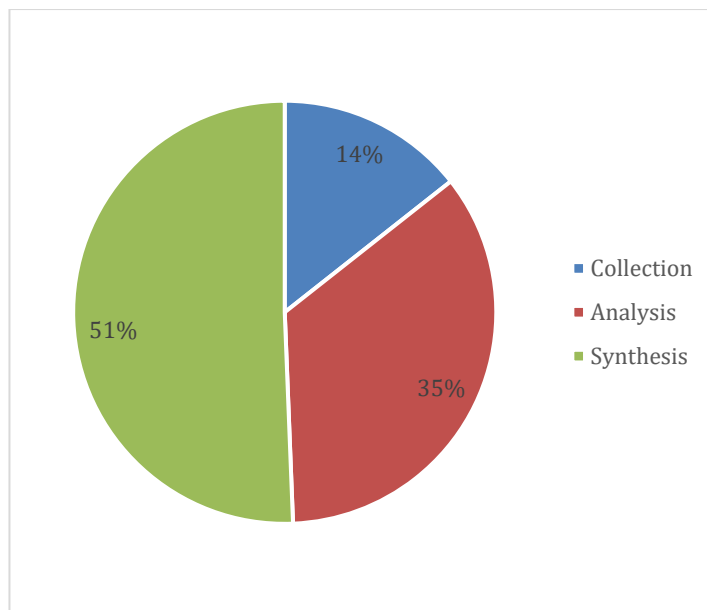
### Difficulty Levels

The CFP Exam assesses a candidate's ability to competently apply financial planning knowledge, skills and abilities at three distinct cognitive levels: : collection, analysis and synthesis.

**Collection:** gathering information and identifying related facts by making required calculations and arranging client information for analysis. During the collection function, the core competency is to collect the quantitative information and qualitative information required to provide a financial plan.

**Analysis:** considers issues, performs financial analysis and assesses the resulting information to be able to develop strategies for the client. This includes: (1) considering potential opportunities and constraints in developing strategies, and (2) assessing information to develop strategies.

**Synthesis:** integrates the information needed to develop and evaluate strategies to create a comprehensive financial plan.



### Step 3. Work Experience

CERTIFIED FINANCIAL PLANNER <sup>CM</sup>			
1) Education	2) Exam	3) Experience	4) Ethics
<p>Instructor-led learning with FPSB Authorized Education Provider or self-paced learning with / without a mentor</p> <p>Graduate degree required at time of certification</p>	<p><i>Areas of Practice</i> <i>Areas of Practice</i> -Integrated Financial Planning -FPSB Financial Planning Practice Standards</p>	<p>Relevant work experience in the financial planning process (three years unsupervised; one year supervised)</p>	<p>FPSB Professional Ethics Course (online)</p> <p>Agree to abide by FPSB's Code of Ethics and Professional Responsibility, Financial Planning Practice Standards, Rules of Conduct and marks use rules</p>

FPSB recognizes the importance of work experience to support financial planning professionals in learning how to apply financial planning knowledge in diverse or complex client situations.

#### Relevant Work Experience

To obtain CFP certification, you will need to be able to demonstrate experience in the financial sector, where you have carried out functions included in FPSB's Financial Planner Competency Profile (i.e. Financial Management, Asset Management, Risk Management, Tax Planning, Retirement Planning and Estate Planning).

An individual demonstrates relevant work experience in working with clients while:

- Engaging in practice described in [FPSB's Financial Planning Practice Standards](#);
- Applying the abilities, skills and knowledge described in [FPSB's Financial Planner Competency Profile](#); and
- Adhering to ethical principles described in [FPSB's Financial Planner Code of Ethics and Professional Responsibility](#).

FPSB considers pro bono volunteer engagements as valid for meeting the experience requirements. The goal of pro bono financial planning is to help people take control of their financial lives by connecting the financial planning community to those who could benefit. Typically, pro bono services are offered to individuals and families who seek out guidance; have limited financial resources; have experienced a financial shock such as loss in the family, major unanticipated costs; and would benefit from objective financial education or advice.

You can obtain relevant work experience by:

- working for one year under the supervision of a CFP professional. This supervised work experience relationship needs the prior approval of FPSB. The supervising CFP professional will need to attest to your successful completion of this work experience requirement.
- demonstrating valid unsupervised experience of three years' experience in financial planning or various financial services including: Accounting (including fund accounting in collective investment schemes and audit), financial consulting, financial advisory and investment advisory services, stock broking and trading services, journalism in personal finance, and/or corporate finance

#### Step 4. Ethics

CERTIFIED FINANCIAL PLANNER <sup>CM</sup>			
1) Education	2) Exam	3) Experience	4) Ethics
<p>Instructor-led learning with FPSB Authorized Education Provider or self-paced learning with / without a mentor</p> <p>Graduate degree required at time of certification</p>	<p><i>Areas of Practice</i>  <i>Areas of Practice</i>                      -Integrated Financial Planning                      -FPSB Financial Planning Practice Standards</p>	<p>Relevant work experience in the financial planning process (three years unsupervised; one year supervised)</p>	<p>FPSB Professional Ethics Course (online)</p> <p>Agree to abide by FPSB's Code of Ethics and Professional Responsibility, Financial Planning Practice Standards, Rules of Conduct and marks use rules</p>

#### FPSB Online Ethics Course

Candidates for CFP certification need to successfully complete FPSB's Professional Ethics Course, which can be completed online in MyFPSB/learning. This interactive course, included with your purchase of the FPSB CERTIFIED FINANCIAL PLANNER<sup>CM</sup> certification course materials, consists of recorded instruction that can be taken in one or multiple sittings with knowledge checks throughout.

#### Ethics Attestation

Once candidates have passed FPSB's Professional Ethic Course, they must attest and agree to abide by FPSB's Code of Ethics and Professional Responsibility to obtain and maintain CFP certification.


## Rules of Conduct

Candidates for CFP certification also need to commit to adhere to the Rules of Conduct for CFP Professionals (in [Appendix E. Rules of Conduct for CFP Professionals](#)). FPSB's Rules of Conduct establish standards for the level and type of conduct expected of CFP professionals, and serve as the enforcement mechanism for FPSB's Code of Ethics and Professional Responsibility and Financial Planning Practice Standards. FPSB's Rules of Conduct are binding on all individuals who are authorized to use the CFP marks in India, whether or not the individuals are using the CFP marks to promote themselves. Consequently, all CFP professionals must be knowledgeable and aware of FPSB's Rules of Conduct and need to apply and abide by rules that are relevant to their activities.


## Certification Application

Once you have met all requirements, you may apply for CFP certification in theMyFPSB*learning* platform.

## Ongoing Certification Requirements

To maintain the right to use the CFP, CERTIFIED FINANCIAL PLANNER<sup>CM</sup> and  logo marks in India, CFP certification holders must maintain their professional skills, knowledge and abilities through continuing professional development (CPD) activities.

FPSB requires a CERTIFIED FINANCIAL PLANNER professional in India to renew CFP certification annually. To remain certified, you will need to:

- Avoid violations of FPSB's Code of Ethics and Professional Responsibility, Financial Planning Practice Standards or applicable laws and regulations
- Commit to adhere to FPSB's Code of Ethics and Professional Responsibility, Financial Planning Practice Standards and any applicable laws and regulations
- Commit to adhere to FPSB's Rules of Conduct for CFP Professionals (in [Appendix E. Rules of Conduct for CFP Professionals](#)).
- Agree to abide by FPSB's rules for use of the CFP, CERTIFIED FINANCIAL PLANNER<sup>CM</sup> and  logo marks in India
- Complete at least 15 Continuing Professional Development (CPD) hours/points. All points must be completed before applying for renewal of CFP certification. At least two CPD hours/points need to directly relate to FPSB's Code of Ethics and Professional Responsibility or Financial Planning Practice Standards.



## Appendix A. FPSB Financial Planner Competency Profile

### **Financial Planning Principles, Process and Skills**

- 1.1 Apply the financial planning process
- 1.2 Demonstrate ethical standards in dealings and relationships with clients and third parties
- 1.3 Apply ethical principles, standards of practice and rules of conduct for the practice of financial planning, relevant to the jurisdiction
- 1.4 Demonstrate communications skills
- 1.5 Demonstrate analytical skills
- 1.6 Demonstrate presentation skills
- 1.7 Demonstrate knowledge of relevant regulatory, economic and political environments
- 1.8 Demonstrate relevant knowledge of law and considers and discusses the impact of compliance issues on the practice of financial planning
- 1.9 Discuss client engagement and behavioral aspects of financial planning applicable to the financial planning engagement
- 1.10 Demonstrate the ability to understand and address client attitudes toward risk
- 1.11 Demonstrate knowledge of practice management and other business aspects of financial planning
- 1.12 Apply time value of money principles
- 1.13 Explain non-retirement employee and government benefits

### **Collection**

**Collects the quantitative and qualitative information required to develop a financial plan**

#### **2) Financial Management**

- 2.1 Collect information regarding the client's assets and liabilities
- 2.2 Collect information regarding the client's cash flow, income and/or obligations
- 2.3 Collect information necessary to prepare a budget
- 2.4 Prepare statements of the client's net worth, cash flow and budget
- 2.5 Determine the client's propensity to save
- 2.6 Determine how the client makes spending decisions
- 2.7 Determine the client's attitudes toward debt

#### **3) Tax Principles and Optimization**

- 3.1 Collect the information necessary to establish the client's tax position
- 3.2 Identify taxable nature of assets and liabilities
- 3.3 Identify the tax structure of client accounts
- 3.4 Identify current, deferred and future tax liabilities
- 3.5 Identify parties relevant to the client's tax situation
- 3.6 Determine the client's attitudes toward taxation

#### **4) Investment Planning / Asset Management**

- 4.1 Collect information to prepare detailed statement of investment holdings
- 4.2 Determine the client's current asset allocation
- 4.3 Identify cash flows available for investment, and expected withdrawals from the investment portfolio
- 4.4 Determine the client's attitudes/biases towards and experience with investments
- 4.5 Determine the client's investment objectives
- 4.6 Determine the client's tolerance for investment risk
- 4.7 Identify the client's assumptions and return expectations and mutually agree on planning assumptions
- 4.8 Identify the client's goal achievement time horizons

#### **5) Risk Management and Insurance Planning**

- 5.1 Collect details of the client's existing insurance coverage
- 5.2 Identify potential financial obligations of the client
- 5.3 Determine the client's risk management objectives and risk exposures
- 5.4 Determine the client's tolerance for risk exposure
- 5.5 Determine relevant family and lifestyle issues and attitudes
- 5.6 Determine health issues
- 5.7 Determine the client's willingness to take active steps to manage financial risk, including lifestyle and health issues

#### **6) Retirement Planning**

- 6.1 Collect the details of potential sources of retirement income
- 6.2 Collect the details of estimated retirement expenses
- 6.3 Determine the client's retirement objectives
- 6.4 Determine the client's attitudes towards retirement
- 6.5 Mutually agree on the client's comfort with retirement planning assumptions

#### **7) Estate Planning and Wealth Transfer**

- 7.1 Collect legal agreements and documents impacting estate planning strategies
- 7.2 Identify the client's estate planning objectives
- 7.3 Identify family dynamics and business relationships that could impact estate planning strategies

#### **8) Integrated Financial Planning**

- 8.1 Identify the client's objectives, needs, values and constraints (e.g., taxes) that have financial implications, with time and funding (money) specificity and prioritization
- 8.2 Identify the information for the financial plan
- 8.3 Identify the client's legal issues that affect the financial plan
- 8.4 Determine the client's attitudes, biases, drivers and level of financial sophistication
- 8.5 Identify material changes in the client's personal and financial situation
- 8.6 Prepare information to enable analysis

### **Analysis**

#### **Analyze potential opportunities and constraints and assess information to develop strategies**

##### **2) Financial Management**

- 2.8 Determine whether the client is living within financial means
- 2.9 Determine the issues relevant to the client's assets and liabilities
- 2.10 Determine the client's emergency fund provision
- 2.11 Compare potential cash management strategies for the client
- 2.12 Assess whether the emergency fund is adequate
- 2.13 Assess the impact of potential changes in income and expenses
- 2.14 Identify conflicting demands on cash flow
- 2.15 Assess financing alternatives

##### **3) Tax Principles and Optimization**

- 3.7 Review relevant tax documents
- 3.8 Analyze existing and potential tax strategies and structures for suitability
- 3.9 Assess financial impact of tax planning alternatives

##### **4) Investment Planning / Asset Management**

- 4.9 Calculate required real rate of return to reach the client's objectives
- 4.10 Determine the characteristics of investment holdings
- 4.11 Determine the implications of acquiring/disposing of assets
- 4.12 Analyze potential investment strategies
- 4.13 Assess whether investment return expectations are consistent with the risk capacity and tolerance

4.14 Assess whether asset holdings are consistent with risk capacity, tolerance and required rate of return

4.15 Analyze client's current holdings

4.16 Assess potential investment vehicles for use in client portfolios

### **5) Risk Management and Insurance Planning**

5.8 Determine characteristics of existing insurance coverage

5.9 Examine current and potential risk management strategies

5.10 Assess exposure to financial risk

5.11 Assess the client's risk exposure against current insurance coverage and risk management strategies

5.12 Assess the implications of changes to insurance coverage

5.13 Prioritize the client's risk management needs

### **6) Retirement Planning**

6.6 Develop financial projections based on current position, including any gap between income needs and funding

6.7 Determine if the client's retirement objectives are realistic

6.8 Examine potential retirement planning strategies

6.9 Assess financial requirements at retirement to maintain desired lifestyle

6.10 Assess the impact of changes in assumptions on financial projections

6.11 Assess trade-offs necessary to meet retirement objectives

### **7) Estate Planning and Wealth Transfer**

7.4 Project net worth at death

7.5 Analyze constraints to meeting the client's estate planning objectives

7.6 Compare potential estate planning strategies

7.7 Calculate potential expenses and taxes owed at death

7.8 Assess the specific needs of beneficiaries

7.9 Assess the liquidity of the estate at death

### **8) Integrated Financial Planning**

8.7 Analyze the client's objectives, needs, values and information to prioritize the financial planning areas

8.8 Examine inter-relationships among financial planning areas

8.9 Compare opportunities and constraints and assess collected information across financial planning areas

8.10 Examine the impact of economic, political and regulatory environments

## **Synthesis**

**Synthesize information to develop and evaluate strategies to create a financial plan**

### **2) Financial Management**

2.16 Develop financial management strategies

2.17 Evaluate advantages and disadvantages of each financial management strategy

2.18 Optimize strategies to make financial management recommendations

2.19 Prioritize action steps to assist the client in implementing financial management recommendations

### **3) Tax Principles and Optimization**

3.10 Develop tax planning strategies

3.11 Evaluate advantages and disadvantages of each tax planning strategy

3.12 Optimize strategies to make tax planning recommendations

3.13 Prioritize action steps to assist the client in implementing tax planning recommendations

### **4) Investment Planning / Asset Management**

- 4.17 Develop asset management strategies
- 4.18 Evaluate advantages and disadvantages of each asset management strategy
- 4.19 Optimize strategies to make asset management recommendations
- 4.20 Select appropriate investment vehicles to implement the recommended strategy
- 4.21 Prioritize action steps to assist the client in implementing asset management recommendations
- 4.22 Prepare and Investment Policy Statement
- 4.23 Prepare periodic reporting material

#### **5) Risk Management and Insurance Planning**

- 5.14 Develop risk management strategies
- 5.15 Evaluate advantages and disadvantages of each risk management strategy
- 5.16 Optimize strategies to make risk management recommendations
- 5.17 Prioritize action steps to assist the client in implementing risk management recommendations

#### **6) Retirement Planning**

- 6.12 Develop retirement planning strategies
- 6.13 Evaluate advantages and disadvantages of each retirement planning strategy
- 6.14 Optimize strategies to make retirement planning recommendations
- 6.15 Prioritize action steps to assist the client in implementing retirement planning recommendations
- 6.16 Discuss with the client the impact of changes in assumptions on financial projections

#### **7) Estate Planning and Wealth Transfer**

- 7.10 Develop estate planning strategies, including living estate planning
- 7.11 Evaluate the advantages and disadvantages of each estate planning strategy
- 7.12 Optimize strategies to make estate planning recommendations
- 7.13 Prioritize action steps to assist the client in implementing estate planning recommendations

#### **8) Integrated Financial Planning**

- 8.11 Prioritize recommendations from the financial planning areas to optimize the client's situation
- 8.12 Consolidate the recommendations and action steps into a financial plan (written or iterative in an interactive format)
- 8.13 Measure the progress toward achievement of the financial plan objectives
- 8.14 Determine the appropriate process and cycle of review for the financial plan

## Appendix B. FPSB<sup>®</sup> Integrated Financial Planning Course Learning Objectives

### Module 1: Financial Planning Standards and Skills

#### **Chapter 1: Financial Planning Principles, Process and Skills**

##### Learning Objectives

Apply the financial planning process to meet client objectives.

1-2 Apply the Financial Planning Practice Standards

1-3 Develop a suitable financial planning goal

1-4 Identify characteristics of sound professional judgement

1-5 Apply rules of conduct for a CFP professional

##### Knowledge Items

1.1 Financial Planning Process

1.2 The Process

1.3 Financial Planning Practice Standards

1.4 Establish and Define the Relationship with the Client

1.5 Collect the Client's Information

1.6 Analyze and Assess the Client's Financial Status

1.7 Develop the Financial Planning Recommendations

1.8 Review the Client's Situation

1.9 Goals

1.10 Professional Judgment

1.11 Rules of Conduct

#### **Chapter 2: Professional Skills**

##### Learning Objectives

2-1 Describe components of professional responsibility

2-2 Identify skills that support professional practice

2-3 Demonstrate the ability to gather and use information required to make relevant client recommendations

##### Knowledge Items

2.1 Professional Responsibility

2.1.1 Behave Like a Fiduciary

2.1.2 Act in Accordance with Professional Expectations

2.1.3 Provide Full and Appropriate Disclosure

2.1.4 Act with Transparency

2.1.5 Manage Conflicts of Interest

2.1.6 Secure Fully Informed Client Consent

2.1.7 Communicate the Compensation/Remuneration Model

2.2 Practice

2.3 Information Required to make Recommendations

2.3.1 Cash Flow Management and the Use of Debt

2.3.2 Management of Personal Risks and Insurance

2.3.3 Retirement Advice Issues

2.3.4 Investment Strategies and Products

2.3.5 Tax and Estate Distribution

#### **Chapter 3: Client Characteristics**

### Learning Objectives

- 3-1 Apply Knowledge Items of personality and behavior when working with clients
- 3-2 Analyze the impact of a life event on a client's financial plan
- 3-3 Describe factors related to working with senior adults
- 3-4 Apply financial planning professional skills to working with special needs situations
- 3-5 Describe how to effectively work with a challenging client

### Knowledge Items

- 3.1 Working with Individual Personality and Behavior
- 3.2 Life Events
- 3.3 Working with Seniors
- 3.4 Working with Special Needs Situations
- 3.5 Journey toward Partnership

## **Chapter 4: Client Engagement and Communication**

### Learning Objectives

- 4-1 Apply effective communication skills in a client engagement situation
- 4-2 Employ effective discovery skills in a client engagement situation
- 4-32-1 Demonstrate proficient listening skills in a client engagement situation

### Knowledge Items

- 4.1 Communication Skills
  - 4.1.1 Addressing Communication Concerns
- 4.2 Discovery Process
  - 4.2.1 Listening
  - 4.2.2 Appreciative Inquiry

## **Chapter 5: Critical Thinking**

### Learning Objectives

- 5-1 Demonstrate the ability to employ critical thinking to make appropriate decisions

### Knowledge Items

- 5.1 Critical Thinking in the Financial Planning Process
- 5.2 What is Critical Thinking?

## **Chapter 6: Regulatory Environment of Financial Planning - India**

### Learning Objectives

- 6-1 Understand the legal and professional requirement of advice
- 6-2 Describe the regulatory environment of financial planning related to advice
- 6-3 Understand SEBI (Investment Advisers) Regulations, 2013
- 6-4 Understand the eligibility criteria for Investment Advisers – qualification, certification, experience
- 6-5 Describe other mandated requirements and procedures for Investment Advisers
- 6-6 Analyze the implications of holding out as advisers – individual and non-individual
- 6-7 Understand and analyze general obligations and responsibilities of Investment Advisers
- 6-8 Describe the Code of Conduct of Investment Advisers
- 6-9 Differentiate between FPSB's financial planning process and its scope under Investment Advisers Regulations

### Knowledge Items

- 6.1 Legal and Professional Requirement of advice
  - 6.1.1 Advice for different products under respective regulations
- 6.2 SEBI (Investment Advisers) Regulations, 2013
  - 6.1.1 Definitions of Investment advice, Investment Adviser, Financial Planning, etc.
  - 6.1.2 Regulatory environment of financial planning related to advice
  - 6.1.3 Requirement to register and exemptions from registration
  - 6.1.4 Eligibility criteria for Investment Advisers – qualification, certification, experience, etc.
  - 6.1.5 Investment Advisers – individual and non-individual
  - 6.1.6 Other mandated requirements and procedures for Investment Advisers
  - 6.1.5 Segregation of advice and execution services, and other disclosures
  - 6.1.6 Managing conflicts of interest
  - 6.1.7 General obligations and responsibilities of Investment Advisers
  - 6.1.8 Code of Conduct for Investment Advisers – Fiduciary relationship
- 6.3 Investment Advisers Regulations and FPSB's Financial Planning Process
  
- 6.4 Broad Powers of SEBI to adjudicate and impose penalty
- 6.5 Violation of SEBI (IA) Regulations by intermediaries and RIA – Consequences; some case studies
- 6.6 Other Regulations relevant to Compliance and Practice
  - 6.6.1 SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003
  - 6.6.2 SEBI (Prohibition of Insider Trading) Regulations, 2015
- 6.7 Do's and Don'ts issued by SEBI for investors

## Module 2: Engaging Clients in the Financial Planning Process

### **Chapter 1: Introduction to the Discovery Process**

#### Learning Objectives

- 1-1 Describe elements of an effective discovery process
- 1-2 Demonstrate appropriate emotional intelligence
- 1-3 Apply the four “As” in setting the financial planning process structure

#### Knowledge Items

- 1.1 Discovery Overview
- 1.2 Emotional Intelligence
- 1.3 Setting the Structure
  - 1.1.1 Apply the Financial Planning Discovery Process

### **Chapter 2: Appreciative Inquiry**

#### Learning Objectives

- 2-1 Compare appreciative inquiry to problem solving
- 2-2 Apply appreciative inquiry to the financial planning process

#### Knowledge Items

- 2.1 Appreciative inquiry Compared with Problem Solving
  - 2.1.1 Real Concerns

## 2.2 AI in Financial Planning

### **Chapter 3: Discovery Process Applied**

#### Learning Objectives

- 3-1 Describe effective communication skills
- 3-2 Illustrate effective skills to deal with difficult conversations
- 3-3 Apply effective storytelling in a financial planning engagement
- 3-4 Demonstrate components of effective discovery meetings

#### Knowledge Items

- 3.1 Client Communication
  - 3.1.1 Building Effective Communication Skills
  - 3.1.2 Difficult Conversations
  - 3.1.3 Telling your Story
- 3.2 Effective Discovery Meetings

### **Chapter 4: Goal Determination, Refinement and Setting**

#### Learning Objectives

- 4-1 Demonstrate how to move from a dream to a SMART goal
- 4-2 Apply mind mapping to the financial planning process

#### Knowledge Items

- 4.1 Dream Decisions
- 4.2 Goal Determination and Refinement
  - 4.2.1 SMART Goal Application
  - 4.2.2 Mind Mapping
    - 4.2.2.1 Financial Prioritization

### **Chapter 5: Develop Financial Planning Recommendations**

#### Learning Objectives

- 5-1 Apply applicable Practice Standards when developing financial planning recommendations
- 5-2 Construct financial planning recommendations
- 5-3 Evaluate financial planning recommendations to determine the degree to which they support a client's life goals
- 5-4 Prepare financial planning recommendations for presentation to the client

#### Knowledge Items

- 5.1 Applicable Practice Standards
- 5.2 Analyze Information
  - 5.2.1 Review Prospective Planning Strategies
- 5.3 Develop Client-Based Recommendations

### **Chapter 6: Presenting Recommendations to Clients**

#### Learning Objectives

- 6-1 Apply desirable communication skills to more effectively engage clients
- 6-2 Modify recommendations to comply with client requests
- 6-3 Construct a plan of action
- 6-4 Present finalized plan of action to gain client agreement to implement financial planning recommendations

#### Knowledge Items



- 6.1 Communication Plan
- 6.1.1 SPIN Process
- 6.2 Making Adjustments Without Losing Focus
- 6.3 How and When to Disagree
- 6.4 Construct a Plan of Action
- 6.5 Implement Financial Planning Recommendations

### Module 3: Developing Effective Financial Plans

#### Chapter 1: Financial Planning Overview

##### Learning Objectives

- 1-1 Identify client objectives, goals, needs and values that have financial implications.
- 1-2 Identify information for the financial plan.
- 1-3 Identify client legal issues that affect the financial plan.
- 1-4 Describe client attitudes and level of financial sophistication.
- 1-5 Identify material changes in the client's personal and financial situation.
- 1-6 Categorize information to enable analysis.

##### Knowledge Items

Financial Planning definition and components  
FPSB's Professional skills categories  
Interpersonal Skills  
FPSB's Financial Planner Code of Ethics and Professional Responsibility:  
Conflicts of Interest  
Disclosures to the Client

#### Chapter 2: Financial Plan Elements

##### Learning Objectives

- 2-1 Analyze client objectives, needs, values and information to prioritize financial planning components.
- 2-2 Determine the inter-relationships among the financial planning components.
- 2-3 Determine opportunities and constraints and assess collected information across financial planning components.
- 2-4 Determine the impact of economic, political and regulatory environments.
- 2-5 Analyze progress toward achieving objectives of the financial plan.
- 2-6 Apply FPSB's Financial Planning Practice Standards to the financial planning process.

##### Knowledge Items

FPSB Professional Skills  
Financial Planning Projection assumptions  
Data collection needs  
Client attitudes, goals and objectives

#### Chapter 3: Developing Effective Financial Plans

##### Learning Objectives

- 3-1 Prioritize recommendations from the Financial Planning Components to optimize the client's situation.
- 3-2 Categorize the recommendations and action steps into a financial plan.
- 3-3 Evaluate the impact of economic, political, and regulatory issues with regard to the financial plan.
- 3-4 Evaluate the appropriate cycle of review for the financial plan.

3-5 Effectively present the financial plan, including information based on classwork, research or simulated client interaction.

Knowledge Items

Financial Planning Components

Financial Plan

## Appendix C. Work Experience Reporting (from Supervisor or by Self-Reporting)

FPSB will seek attestation that a candidate for CFP certification has experience in at least four of the six financial planning areas. This experience is mapped by demonstrating competencies in each financial planning area in the FPSB Financial Planner Competency Profile (per [Appendix A](#)).

### A. Engagement in Financial Planning Areas

#### Financial Planning Component: Financial Management

Has the candidate engaged in financial management during the period of experience?	Yes/No
Financial Management	
Asset Management	
Risk Management	
Tax Planning	
Retirement Planning	
Estate Planning	

### B. Engagement in Financial Planning Practices

The candidate for CFP certification should indicate which elements of the financial planning process he or she applied and whether he or she engaged in any of the Financial Planning Practice Standards during the work experience period.

Financial Planning Process	Related Practice Standards
1. Established and defined the relationship with a client	1.1 Informed a client about financial planning
	1.2 Determined whether he/she can meet a client's needs
	1.3 Defined the scope of engagement with a client
2. Collected a client's information	2.1 Identified a client's personal and financial objectives, needs and priorities
	2.2 Collected the quantitative information and documents of a client
	2.3 Collected the qualitative information of a client
3. Analyzed and assessed a client's financial status	3.1 Analyzed a client's information
	3.2 Assessed a client's objectives, needs and priorities
4. Developed financial planning recommendations for a client and presented the recommendations	4.1 Identified and evaluated a client's financial planning strategies
	4.2 Developed financial planning recommendations for a client
	4.3 Presented financial planning recommendations to a client
5. Implemented financial planning recommendations for a client	5.1 Implementation of responsibilities
	5.2 Presented products and services to a client for implementation
6. Reviewed a client's situation	6.1 Agreed on responsibilities and terms for review of a client's situation
	6.2 Reviewed and re-evaluated a client's situation

I \_\_\_\_\_ declare hereby that I am familiar with the financial planning process and that I applied related financial planning practices as indicated above during the work experience period.

## Appendix D. FPSB Code of Ethics and Professional Responsibility

### FPSB CODE OF ETHICS AND PROFESSIONAL RESPONSIBILITY

Observing the highest ethical and professional standards allows CFP professionals to serve the interests of clients and promote the profession for the benefit of society. As part of their commitment, CFP professionals should provide appropriate disclosures and comply with ethical standards when delivering advice to clients. FPSB has incorporated ethical behavior and judgment, and compliance with ethical standards, into its global standards for CFP professionals. To ensure these obligations are understood, FPSB incorporates ethical standards into its CFP certification requirements.

FPSB's Code of Ethics Principles are statements expressing in general terms the ethical standards that CFP professionals should adhere to in their professional activities. The comments following each Principle further explain the intent of the Principle. The Principles are aspirational and are intended to provide guidance for CFP professionals on appropriate and acceptable professional behavior.

FPSB's Code of Ethics Principles reflect CFP professionals' recognition of their responsibilities to clients, colleagues and employers. The Principles guide the performance and activities of anyone involved in the practice of advice; the concept and intent of these Principles are adapted and enforced on CFP professionals by FPSB through rules of professional conduct.

#### Principle 1 – Client First

##### **Place the client's interests first.**

Placing the client's interests first is a hallmark of professionalism, requiring the CFP professional to act honestly and not place personal gain or advantage before the client's interests.

#### Principle 2 – Integrity

##### **Provide professional services with integrity.**

Integrity requires honesty and candor in all professional matters. CFP professionals are placed in positions of trust by clients, and the ultimate source of that trust is the professional's personal integrity. Allowance can be made for legitimate differences of opinion, but integrity cannot co-exist with deceit or subordination of one's principles. Integrity requires a CFP professional to observe both the letter and the spirit of the Code of Ethics.

#### Principle 3 – Objectivity

##### **Provide professional services objectively.**

Objectivity requires intellectual honesty and impartiality. Regardless of the services delivered or the capacity in which a CFP professional functions, objectivity requires that CFP professionals ensure the integrity of their work, manage conflicts of interest and exercise sound professional judgment.

#### Principle 4 – Fairness

##### **Be fair and reasonable in all professional relationships. Disclose and manage conflicts of interest.**

Fairness requires providing clients what they are due, owed or should expect from a professional relationship, and includes honesty and disclosure of material conflicts of interest. Fairness involves managing one's own feelings, prejudices and desires to achieve a proper

balance of interests. Fairness is treating others in the same manner that you would want to be treated.

Principle 5 – Professionalism

**Act in a manner that demonstrates exemplary professional conduct.**

Professionalism requires behaving with dignity and showing respect and courtesy to clients, fellow professionals, and others in business-related activities, and complying with appropriate rules, regulations and professional requirements. Professionalism requires CFP professional, individually and in cooperation with peers, to enhance and maintain the profession's public image and its ability to serve the public interest.

Principle 6 – Competence

**Maintain the abilities, skills and knowledge necessary to provide professional services competently.**

Competence requires obtaining and maintaining an adequate level of abilities, skills and knowledge in the provision of professional services. Competence also includes the wisdom to recognize one's own limitations and when consultation with other professionals is appropriate or referral to other professionals necessary. Competence requires the CFP professional to make a continuing commitment to learning and professional improvement.

Principle 7 – Confidentiality

**Protect the confidentiality of all client information.**

Confidentiality requires that client information be protected and maintained in such a manner that allows access only to those who are authorized. A relationship of trust and confidence with the client can only be built on the understanding that the client's information will not be disclosed inappropriately.

Principle 8 – Diligence

**Provide professional services diligently.**

Diligence requires fulfilling professional commitments in a timely and thorough manner and taking due care in delivering professional services.

## Appendix E. Rules of Conduct for CFP Professionals

1. A CFP professional shall not communicate, directly or indirectly, to clients or any other parties, any false or misleading information directly or indirectly related to the CFP professional's qualifications or services.
2. A CFP professional shall not mislead clients or any other parties about the potential benefits of the CFP professional's service.
3. A CFP professional shall disclose all relevant facts where the disclosure is necessary to avoid misleading clients or any other parties.
4. A CFP professional shall not engage in conduct involving dishonesty, fraud, deceit or misrepresentation, or knowingly make a false or misleading statement to clients or any other parties.
5. A CFP professional shall clearly identify with the client the assets, if any, over which the CFP professional will take custody, exercise investment discretion, or exercise supervision.
6. A CFP professional shall identify and keep updated records of all funds or other property of the client in the custody, or under the discretionary authority, of the CFP professional.
7. A CFP professional shall not commingle the client's property with the property of the CFP professional, the CFP professional's employer, or with other clients' property unless the commingling is permitted by law, is explicitly authorized and defined in a written agreement between the parties, and the CFP professional has sufficient record-keeping to track each client's assets accurately.
8. A CFP professional shall at all times place the interest of the client first.
9. A CFP professional shall treat the client fairly and provide professional services with integrity and objectivity.
10. A CFP professional shall ensure that his or her personal biases or interests do not adversely affect his or her services to clients.
11. A CFP professional shall make and/or implement only recommendations that are suitable for the client.
12. A CFP professional shall offer advice to clients only in those areas in which he or she is competent. In areas where the CFP professional is not competent, the CFP professional shall seek the counsel of, and/or refer clients to, qualified professionals.
13. A CFP professional shall maintain competence in all areas of his or her professional practice.
14. A CFP professional shall keep informed about developments in financial planning and participate in continuing professional development.

15. If the services include financial planning or material elements of the financial planning process, a CFP professional shall disclose the following information in writing to the client:
- a. An accurate and understandable description of the compensation arrangements being offered. This description must include information related to costs to the client and general form and source of compensation to the CFP professional and/or the CFP professional's employer; and terms under which the CFP professional and/or the CFP professional's employer may receive any other sources of compensation, and if so, what the sources of these payments are and on what they are based;
  - b. A general summary of likely conflicts of interest between the client and the CFP professional, the CFP professional's employer or any affiliates or third parties, including, but not limited to, information about any familial, contractual or agency relationship of the CFP professional or the CFP professional's employer that has a potential to materially affect the relationship with the client;
  - c. Any information about the CFP professional or the CFP professional's employer that could reasonably be expected to materially affect the client's decision to engage the CFP professional;
  - d. Any information that the client might reasonably want to know in establishing the scope and nature of the relationship, including, but not limited to information about the CFP professional's areas of expertise; and
  - e. Contact information for the CFP professional and, if applicable, the CFP professional's employer.

On an ongoing basis, the CFP professional shall make timely disclosure to the client of any material changes to the above information.

16. A CFP professional shall not borrow money from a client. This Rule does not apply when:
- a. The client is a member of the CFP professional's immediate family;
  - b. The client is an institution in the business of lending money and the borrowing is unrelated to the professional services performed by the CFP professional.
17. A CFP professional shall not lend money to a client. This Rule does not apply when:
- a. The client is a member of the CFP professional's immediate family;
  - b. The CFP professional is an employee of an institution in the business of lending money and the money lent is that of the institution, not the CFP professional.
18. A CFP professional shall treat the client's information as confidential except as required in response to proper legal process or regulatory requirements; as necessitated by obligations to a CFP professional's employer or partners; to defend against charges of wrongdoing; in connection with a civil dispute; or as needed to perform professional services on behalf of the client.
19. A CFP professional shall take prudent steps to protect the security of the client's information and property, including the security of stored information, whether physically or electronically, that is within the CFP professional's control.
20. A CFP professional shall exercise reasonable and prudent professional judgment in providing professional services.

21. A CFP professional shall be in compliance with all applicable legal and regulatory requirements governing professional services provided to the client.
22. A CFP professional who is an employee/agent shall perform professional services with dedication to the lawful objectives of the employer/principal and in accordance with the FPSB Member's Code of Ethics.
23. A CFP professional shall abide by the terms of all agreements with the FPSB Member, including, but not limited to, using the CFP marks properly and cooperating fully with the FPSB Member's trademark and professional review processes and requirements.
24. A CFP professional shall meet all of the FPSB Member's requirements, including continuing professional development requirements, to retain the right to use the CFP marks.
25. A CFP professional shall notify the FPSB Member in writing of any conviction of a crime (as defined by the Member), or any professional suspension or revocation within the time specified by the FPSB Member after the date on which the CFP professional is notified of the conviction, suspension or revocation.
26. A CFP professional shall notify the FPSB Member of changes to contact information, including e-mail address, telephone number(s) and physical address, within the time specified by the FPSB Member of the change.
27. A CFP professional shall not engage in any conduct which reflects adversely on his or her integrity or fitness as a CFP professional, upon the CFP marks, or upon the financial planning profession.
28. A CFP professional shall provide professional services in a timely and thorough manner.
29. Consistent with the scope of the engagement, a CFP professional shall undertake a reasonable investigation of the products and services to be recommended to clients. A CFP professional may rely upon an investigation undertaken by a third party provided it is reasonable to place reliance on the quality of such investigation.
30. A CFP professional shall provide reasonable and prudent professional supervision of, or direction to, any subordinate or third party to whom the CFP professional assigns responsibility for any client services.
31. A CFP professional shall return the client's property upon request as soon as practicable or consistent with a time frame specified in an agreement with the client.
32. The CFP professional and the client shall mutually agree upon the services to be provided by the CFP professional.
33. If the services include financial planning or material elements of the financial planning process, prior to entering into an agreement, the CFP professional shall provide written information and/or discuss with the client the following:
  - a. The obligations and responsibilities of each party under the agreement with respect to defining the client's objectives, needs and priorities; gathering and providing appropriate data; examining the result of the client's current course(s) of action without changes; the



- formulation of any recommended actions; implementation responsibilities for the financial planning recommendations; and responsibilities for reviewing for the financial planning recommendations;
- b. Compensation that any party to the agreement or any affiliate to a party to the agreement will or could receive under the terms of the agreement; and factors or terms that determine costs to the client, how decisions benefit the CFP professional and the relative benefit to the CFP professional;
  - c. Terms under which the CFP professional will use proprietary products;
  - d. Terms under which the CFP professional will use other entities/professionals to meet any of the agreement's obligations;
  - e. The process for terminating the relationship; and
  - f. Procedures for resolution of client claims and complaints against the CFP professional.
34. If the services include financial planning or material elements of the financial planning process, the CFP professional or the CFP professional's employer shall enter into a written agreement governing the financial planning services ("Agreement"). The Agreement shall specify:
- a. The parties to the Agreement;
  - b. The date of the Agreement and its duration;
  - c. How and on what terms each party is able to terminate the Agreement; and
  - d. The services to be provided as part of the Agreement.
35. A CFP professional shall take all reasonable steps to ensure the client understands the financial planning recommendation(s) to allow the client to make informed decisions.
36. A CFP professional shall know and reasonably apply the Financial Planning Practice Standards that are relevant to the scope of the engagement with the client.
37. A CFP professional shall know and apply the Financial Planner Code of Ethics and Professional Responsibility in his or her professional activities.

## Appendix F. Frequently Asked Questions

### Step 1: Education

#### 1. Am I required to purchase the textbooks?

Yes, all candidates for certification registered with FPSB are required to purchase course textbooks. Your textbook purchase includes access to online interactive courses and practice questions.

#### 2. May I print or purchase a printed copy of the textbooks?

FPSB does not allow FPSB textbooks to be printed, for copyright purposes. Each time you'd like to access the textbooks, please log into your FPSB online platform, *MyFPSBlearning*.

#### 3. I heard about challenge status and self-study. Where can I find information about those?

For anyone registering after 31 May 2020, Challenge Status is no longer an available option. For the FPSB<sup>®</sup> Integrated Financial Planning course, you must either enroll with an FPSB Authorized Education Provider, or pursue studies on your own in self-paced learning through *MyFPSBlearning* as an alternative to the Self Study option.

#### 4. What is the avenue to attain CFP certification for candidates who transition from legacy pathway and who have one or more credits to the Specialist exams of the new pathway curriculum?

Candidates transitioning from the legacy program who have not completed all previous five CFP exams will receive credit for one or more specialist exams (as appropriate), and would need to have all three specialist certifications in good standing before applying for the FPSB<sup>®</sup> Integrated Financial Planning course. Candidates who have completed the equivalent of all three specialist certifications are eligible to receive the three specialist certifications to register for the FPSB<sup>®</sup> Integrated Financial Planning course.

### Step 2: CFP Exam

#### 5. How is the CFP exam created?

CFP<sup>CM</sup> professionals in India and internationally created cases that simulate common financial planning practices. These cases and the exam questions have been reviewed by multiple professionals in India before being placed into the India exam bank. The subjects covered and their weightings are based on the exam specification that was developed by the FPSB exam panel in India (supported by FPSB's global exam experts).

#### 6. When can I take the CFP exam?

FPSB will open exam windows on a periodic basis. Candidates may sign up to take the CFP exam only after they have obtained the three specialist certifications and completed the education requirement through an FPSB Authorized Education Provider or on your own in self-paced learning through *MyFPSBlearning*. Candidates must have been registered as a student with FPSB for 30 days before booking an exam seat.

#### 7. What resources may be available to study for the CFP exam?

FPSB encourages candidates to study the learning objectives and knowledge items in the Financial Planner Competency Profile; the CFP exam blueprint; and the practice questions in *MyFPSBlearning*.

#### 8. When will I know my score on the CFP exam?

To ensure exam reliability and validity, FPSB will analyze the data from initial CFP exams takers to determine a statistically valid and defensible passing score. This process could delay results by few weeks. After the CFP exam pass score is set, future exam-takers will know their results within 15 days.

#### 9. Is there a limit to the number of times I may take the CFP exam?

There is no limit to the number of times you may take the CFP exam, but you may only take the exam during the exam window provided.

### **Step 3: Experience**

#### **10. Which internship, articleship or part time jobs are considered as a valid work experience for the CFP Certification?**

Presently FPSB considers the articleship of Chartered Accountancy (CA) as valid work experience. For other work domains, candidates are required to mail the details of their work experience for review by FPSB. Please note that FPSB does not accept part-time or freelance work experience as valid for CFP Certification work experience.

#### **11. What work domains are considered under 'Financial Planning services' and 'Other Financial services' for work experience criteria?**

Financial Planning Services - Any one of the six Financial Planning components (viz. Risk Management and Insurance Planning, Estate Planning and Wealth Management, Retirement Planning, Investment Planning and Asset Management, Personal Tax Optimization, Personal Financial Management)

Other Financial Services - Accounting including Fund Accounting in collective investment schemes and Audit, other organized Financial Consulting, Intermediation in securities, Financial/Investment Products, Stock broking and trading services, Journalism in Personal Finance and Corporate Finance. For persons employed with banks, mutual funds insurance and Fintech companies, the experience relevant to personal finance may be considered as valid.

#### **12. How can the professionals such as doctors, lawyers, engineers etc. meet the work experience criteria?**

All professionals also have the option of meeting FPSB's work experience requirement for CFP certification through work as an authorised distributor/agent of a financial services firm/company. FPSB reserves the right to accept or reject work experience as valid based on inspection of the documents furnished by the candidate in support of his or her work experience.

#### **Step 4: Ethics**

##### **13. What are steps to complete the Ethics course?**

FPSB provides an online, interactive ethics course in the MyFPSB/*learning* online portal. You can go through the course at your own pace and complete the assessment questions.

#### **Initial and Ongoing Certification**

##### **14. How long does the process take?**

This depends on the individual and different factors such as industry experience, time to prepare, familiarity and ability to do well on exams (in general), and the extent of studying before the CFP exam.

##### **15. How long is CFP certification valid for?**

CFP certification is valid for one year. An individual may renew CFP certification after completing the 15 annual Continuing Professional Development (CPD) points and completing the other renewal requirements in the FPSB online platform.

##### **16. If I pass the CFP exam, may I use the marks?**

No, you must meet all certification requirements, including attesting to FPSB's Code of Ethics and Professional Responsibility, Financial Planning Practice Standards and Conduct Rules and CFP Marks Use Rules before using the CFP marks.

#### **Other Questions**

##### **17. I registered before 1 June 2020, and would like to become a CERTIFIED FINANCIAL PLANNER<sup>CM</sup> professional. How may I do that?**

FPSB is providing a transition mechanism from April 2021 until 31 December 2021 for those who registered prior to 1 June 2020 to migrate to the new pathway curriculum and complete specialist certifications and the FPSB<sup>®</sup> Integrated Financial Planning course to pursue CFP certification. FPSB will recognize individual exams cleared in the old curriculum toward relevant Specialist certifications (please visit the Transition Notice on FPSB's website for more details).

##### **18. I'd like to learn about FPSB's specialist certifications. How do I do that?**

You may visit <https://india.fpsb.org/students/> to learn more about our specialist and CFP certifications.

##### **19. I have a different query. Who should I contact?**

Fpsb.india@fpsb.org