

**CFP BOARD**

# **WHAT IS THE CERTIFIED FINANCIAL PLANNER™ CERTIFICATION?**



# CFP® CERTIFICATION REQUIREMENTS

Working with a CFP® professional is an important first step toward reaching your financial goals. As part of the certification, these advisors meet rigorous education examination and experience requirements, and they commit to high ethical and professional standards.

## EDUCATION

The educational curriculum includes 70 Principal Knowledge Topics under the categories below, as well as a financial planning capstone course.

### Principal Knowledge Topics

- Professional Conduct and Regulation
- General Principles of Financial Planning
- Risk Management and Insurance
- Planning Investment Planning
- Tax Planning
- Retirement Savings and Income Planning
- Estate Planning
- Psychology of Financial Planning

In addition to completing a comprehensive financial planning curriculum approved by CFP Board, those seeking CFP® certification must have a bachelor's degree (or higher) in any discipline to become certified. Once certified, CFP® professionals are required to complete continuing education coursework, including a CFP Board approved ethics course, to further their competence in financial planning.



## EXAMINATION

Those aspiring to become certified must pass a comprehensive 6-hour CFP® Certification Examination that tests their ability to apply financial planning knowledge in an integrated format.

The CFP® exam measures the individual's critical thinking and problem-solving ability, with less emphasis on factual recall or recognition. The exam does not test textbook theories; rather, it assesses the individual's ability to apply financial planning knowledge to real-life financial planning situations. To develop exams that reflect the current practice of financial planning, CFP Board conducts regular Job Task Analysis studies to identify the important tasks performed by financial planners and assess the knowledge and skills needed to perform these tasks.

## EXPERIENCE

CFP® professionals must complete thousands of hours of professional experience related to the financial planning process prior to earning the right to use the CFP® certification marks. As a result, CFP® professionals possess practical experience, in addition to financial planning knowledge.

## ETHICS

As a final step to certification, individuals must satisfy CFP Board's Fitness Standards and commit to the CFP Board to abide by professional standards, known as CFP Board's *Code of Ethics and Standards of Conduct*, which sets forth their ethical responsibilities to the public, clients, and employers, including the obligation to act as a fiduciary at all times when providing financial advice to a client.

CFP Board routinely performs background checks of candidates for CFP® certification and CFP® professionals, and requires candidates and professionals to disclose various matters, including, among other things, criminal history, bankruptcies and liens, and regulatory or civil proceedings.



## WHAT IS CFP BOARD'S CODE OF ETHICS AND STANDARDS OF CONDUCT?

The *Code of Ethics and Standards of Conduct* reflects the commitment that all CFP® professionals make to CFP Board to maintain high standards of competency and ethics.

CFP Board is a professional body, not a regulator. The cornerstone of the *Code of Ethics and Standards of Conduct* is a CFP® professional's obligation to CFP Board to act as a fiduciary, and therefore, act in the best interests of the client at all times when providing financial advice. CFP Board may sanction a CFP® professional who does not abide by this commitment, but CFP Board doesn't guarantee a CFP® professional's services. You want a financial advisor who has made a commitment to you to act as a fiduciary. Therefore, you should be sure to ask whomever you choose as your financial professional, including a CFP® professional, for a written engagement that requires them to have a fiduciary obligation to you.

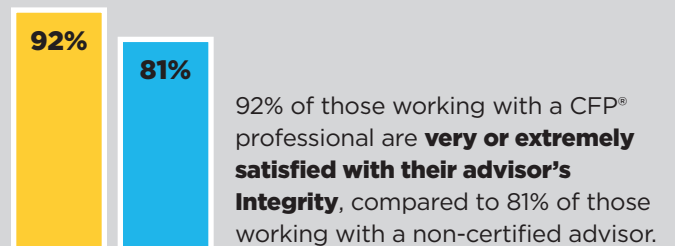
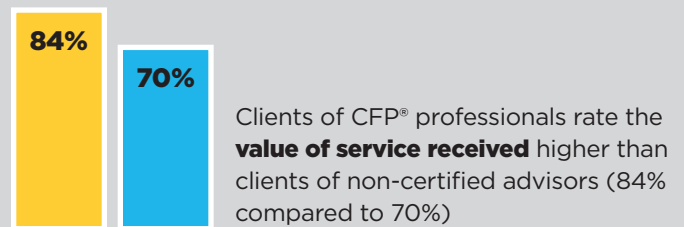
## WHAT TO EXPECT WHEN WORKING WITH A CFP® PROFESSIONAL

It is important to understand how CFP® professionals deliver their services and how they are compensated. Planners are compensated for the services they provide in different ways. Some are paid through commissions and others through fees or a combination of both. While all CFP® professionals are trained to provide you with comprehensive financial planning services, some specialize in one or more areas, or work with specific types of clients. Be sure to ask the planner how he or she is paid.

## WHAT ELSE SHOULD I REMEMBER WHEN SELECTING A PLANNER?

As more people call themselves “financial planners,” finding the right professional to address your financial planning needs isn't always easy. Become familiar with the planner's business style and understand the level of services he or she provides. Look for a measure of the planner's commitment to ethical behavior and adherence to high professional standards. Look for a financial planner who is committed to putting you and your needs at the center of their financial planning engagement.

CFP® professionals    Non-certified advisors



Source: cfp.net/2020ConsumerSurvey

The information in this brochure is provided as a public service by Certified Financial Planner Board of Standards, Inc. (CFP Board). A nonprofit, professional organization, CFP Board fosters professional standards in personal financial planning so that the public values, has access to, and benefits from competent and ethical financial planning.

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