

GUIDE TO CFP® CERTIFICATION

May 2010



CERTIFIED FINANCIAL PLANNER™

CFP®

Certified Financial Planner Board of Standards Inc. owns these certification marks in the U.S., which it awards to individuals who successfully complete CFP Board's initial and ongoing certification requirements.

MISSION STATEMENT


The mission of Certified Financial Planner Board of Standards Inc. (CFP Board) is to benefit the public by granting the CFP® certification and upholding it as the recognized standard of excellence for personal financial planning.

CFP® Certification: The Recognized Standard of Excellence in Personal Financial Planning

Thank you for your interest in CFP® certification. Your decision to learn more about the CFP® certification requirements is an important first step toward joining the CFP® certificant community – a group of more than 120,000 professionals around the world who are dedicated to providing quality financial planning advice, putting the interests of their clients ahead of their own.

Personal financial planning is an exciting, growing profession. With the economic challenges the world has faced in recent years, and with individuals facing increased responsibilities and options for planning their own finances, there has never been a greater need for professional financial planning services. Job opportunities are expanding to meet that need: “Personal financial planner” was ranked third in a 2009 Money/Payscale.com list of the 50 jobs in America offering the most growth potential, and the ranks of personal financial planners are forecast to grow 41% over the next 10 years.

CFP Board believes that the public deserves high-quality personal financial planning services delivered by professionals who have demonstrated the ability to provide competent and ethical services to clients. Amid the dozens of credentials that have proliferated in the financial services industry, the CFP® certification marks are an important means for competent and ethical financial planners to stand out from others who call themselves financial planners or advisers.

The rigorous competency, ethics and practice standards established and enforced by CFP Board have allowed the CFP®, CERTIFIED FINANCIAL PLANNER™ and  certification marks to become recognized as the standard of excellence in personal financial planning. Earning and displaying the CFP® marks demonstrates to the public, and your peers, your commitment to a career in financial planning and your pledge to providing financial planning services as a fiduciary, putting your clients’ interests ahead of your own at all times.

Pursuing the CFP® certification requires a serious dedication of time and effort. But the rewards it offers are well worth the effort. CFP Board research has shown that the clients of CFP® practitioners tend to be more satisfied with their financial planning engagements and are more likely to recommend their planner to family or friends. CFP® certificants also report extremely high satisfaction with their career choices, and the vast majority have indicated that the CFP® certification has contributed directly to the success of their careers.

Whether you are just beginning to consider a career in personal financial planning or your background qualifies you to challenge the CFP® certification examination, I encourage you to visit our Web site at www.CFP.net/account to establish an online account that will allow us to provide you with any updates to the CFP® certification requirements.

I commend you for considering a career as a CERTIFIED FINANCIAL PLANNER™ professional. And I hope you will feel free to contact our dedicated Support Specialist team at **800-487-1497** or initialcert@CFPBoard.org if you have any questions about your path toward CFP® certification.

Best Regards,



Kevin R. Keller, CAE
CEO, CFP Board

CFP Board's CFP® certification program is accredited by the National Commission for Certifying Agencies (NCCA), the accrediting body of the Washington, D.C.-based Institute for Credentialing Excellence (formerly the National Organization for Competency Assurance). NCCA was created in 1989 to establish nationally accepted criteria, guidelines and standards for certifying agencies. To receive such accreditation, CFP Board's CFP® certification program meets the highest national voluntary standards for private certification set forth by the NCCA.

CFP Board does not discriminate in certification opportunities or practices on the basis of race, color, religion, sex, national origin, age, disability or any other characteristic protected by law. Contributions accepted by CFP Board are tax deductible.

In certain instances, CFP Board may release lists of individuals who have requested a copy of this booklet to selected other parties, including CFP Board-Registered Programs, who agree to CFP Board's usage requirements. To opt out of such lists, send a request to CFP Board by e-mail to mail@CFPBoard.org or by fax to 202-379-2299.

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CFP® Certification Overview

The CFP® certification process, administered by CFP Board, identifies to the public that those individuals who have been authorized to use the CFP® certification marks in the U.S. have met rigorous professional standards and have agreed to adhere to the principles of integrity, objectivity, competence, fairness, confidentiality, professionalism and diligence when dealing with clients.

CFP Board conducted a nationwide consumer survey among upper-income households. That survey reflects the public's growing demand for financial planners who adhere to rigorous standards. Of those surveyed:

- 85% considered successful completion of a certification examination “very important” or “extremely important.”
- 95% felt financial planners should adhere to professional practice standards.
- 97% said the most important standard for financial planners was adherence to a professional code of ethics.

CFP® certificants must pass the comprehensive CFP® Certification Examination, pass CFP Board's *Candidate Fitness Standards*, agree to abide by CFP Board's *Code of Ethics and Professional Responsibility and Rules of Conduct* which put clients' interests first, and comply with the *Financial Planning Practice Standards* which spell out what clients should be able to reasonably expect from the financial planning engagement. These are just some of the reasons why the CFP® certification is respected within the financial services industry and increasingly recognized among consumers of financial services.

In addition, the CFP® certification prepares you for a career-long commitment to meeting the ever-changing needs of your clients. As a CFP® professional, you become a coach and problem-solver, able to provide truly personalized services to clients and to maintain high levels of financial planning and professionalism. Finally, your expertise and credibility as a financial planner is instantly communicated with the CFP® marks — the financial planning certification most sought after by consumers and financial planners alike.

INITIAL CERTIFICATION

To become certified, you are required to meet the following four initial certification requirements (known as the four “Es”):

- Education
- Examination
- Experience
- Ethics

These four components are briefly described on the next page; subsequent sections of this booklet provide detailed information about each component. While the CFP® certification requirements may be changed from time to time, you will be expected to meet the requirements that are in place at the time you apply for the CFP® Certification Examination.



More information can be found on www.CFP.net/aboutus regarding CFP Board's activities and volunteer opportunities.

Education

The first step to CFP® certification is to study the body of knowledge for personal financial planning through college-level coursework. To take the CFP® Certification Examination, you will need to be knowledgeable in the financial planning topics listed on page 20. For an outline of the four ways to complete the educational coursework requirement, see page 8. Candidates must also have a bachelor's degree (or higher) in order to obtain CFP® certification. The bachelor's degree requirement is a condition of initial certification; it is not a requirement to be eligible to take the CFP® Certification Examination and does not have to occur before sitting for the exam.

Examination

After you have successfully met the education requirement, you will be eligible to apply for the CFP® Certification Examination. The CFP® Certification Examination assesses your ability to apply your financial planning knowledge (based on the topic list on page 20), in an integrated format, to financial planning situations. Combined with the education and experience requirements, it assures the public that you have met a level of competency appropriate for professional practice. Details about the CFP® Certification Examination are on page 11.

Experience

Because CFP® certification indicates to the public your ability to provide financial planning without supervision, CFP Board requires you to have experience in the financial planning process. Three years of full-time relevant personal financial planning experience is required.

Ethics

Applicants for CFP® certification are required to pass CFP Board's *Candidate Fitness Standards*, which describe conduct that will always bar an individual from becoming certified and conduct that is presumed to be unacceptable and will bar an individual from becoming certified unless the individual successfully petitions CFP Board's Disciplinary and Ethics Commission for reconsideration.

When you have completed the education, examination and experience components of the CFP® certification process, you will be directed to complete a CFP® Certification Application asking you to disclose information about your background, including whether you have ever been a party (or involved) in any criminal, civil, governmental, or self-regulatory agency proceeding or inquiry. CFP® certification also requires you to agree to adhere to CFP Board's *Standards of Professional Conduct*, and acknowledge CFP Board's right to enforce them through its *Disciplinary Rules and Procedures*. Details about the ethics requirement are on page 33.

CERTIFICATION RENEWAL

Once you have been authorized to use the CFP® marks, you must meet CFP Board's renewal standards to continue to use them. Your CFP® certification must be renewed every two years at the end of your renewal month in an odd or even year (based on your birth date.) In order to position you in the correct period, your initial continuing education (CE) requirement and renewal fee are prorated.

The renewal requirements are 1) certification application, 2) \$360 certification fee (non-refundable), and 3) 30 hours of CE. The CE requirement includes 28 hours in the accepted financial planning topics (starting on page 20) and two hours from a pre-approved program on CFP Board's *Code of Ethics and Professional Responsibility, Rules of Conduct or Financial Planning Practice Standards*.

Renewal reminders will be sent to you beginning approximately four months before your certification expires. The certification fee helps cover the costs associated with ethics enforcement, protection of the marks against infringement, maintenance of professional standards of practice and public awareness activities related to financial planning and the CFP® marks.

The renewal requirements are explained in more detail on CFP Board's Web site at www.CFP.net/certificants.

ONLINE TOOLS AND RESOURCES

CFP Board is dedicated to providing excellent service to its stakeholders. Our Web site, www.CFP.net/become, offers the most up-to-date information about the initial certification requirements and can be a valuable resource for you as you work to achieve the CFP® certification. Another section of the site, www.CFP.net/learn, demonstrates our commitment to educating the public about the benefits of financial planning and the importance of choosing a CERTIFIED FINANCIAL PLANNER™ professional.

Create an Online Account with CFP Board

Whether you've just begun to consider a career in personal financial planning or are completing the final classes of a CFP Board-Registered Program, CFP Board invites you to indicate your interest in CFP® Certification by creating a secure online account with CFP Board at www.CFP.net/account.

Creating an account will allow us to provide you with the most current information about CFP® Certification. You'll receive the monthly *CFP Board Report* e-newsletter, as well as updates on any changes to the requirements for CFP® certification. Establishing an account with CFP Board will also enable you to apply for the CFP® Certification Examination when you've completed the education coursework requirement for CFP® certification.

www.CFP.net/become

On www.CFP.net/become you have access to the most comprehensive, up-to-date information regarding the CFP® certification. Go to the Web site to look for a registered education provider, find sample exam questions or learn more about post-certification volunteer activities. From this section of the Web site you can apply to take the CFP® Certification Examination and complete the other certification requirements.

www.CFP.net/learn

Here, consumers can learn about reducing debt, saving for retirement and managing other common financial issues; participate in polls and surveys; subscribe to CFP Board's eNewsletter to get more information about financial planning; learn how to choose a financial planner and use a personal data organizer to help prepare them for meeting with a planner; learn about the high standards met by CFP® professionals and verify that a planner in their area has the CFP® certification. To help educate the public about the CFP® marks and the benefits of financial planning, CFP Board also has an active consumer outreach program and collaborates with other organizations.



Create your account today at www.CFP.net/account to receive updates and news from CFP Board.

Education Requirement

COURSEWORK REQUIREMENT

As a first step to CFP® certification, you must complete a course of study (or an accepted equivalent) covering nearly 100 integrated financial planning topics (see page 20). The topics cover major planning areas such as:

- General principles of financial planning
- Insurance planning and risk management
- Employee benefits planning
- Investment planning
- Income tax planning
- Retirement planning
- Estate planning

Although education is a fundamental part of achieving CFP® certification, fulfillment of a course of study covering the required topics does not automatically equate to preparedness for the CFP® Certification Examination.

Before determining an examination preparation strategy and applying for the exam, all individuals considering taking the CFP® Certification Examination should review the currency and completeness of their education against the current list of topics (see page 20). Retaking courses or taking additional courses to improve currency and mastery of specific topic. Taking actions to ensure your education is comprehensive and up-to-date may improve your ability to synthesize and evaluate complex concepts at an advanced cognitive level.

Remember, the CFP® Certification Examination does not test textbook theories, but rather it assesses your ability to apply your financial planning knowledge in an integrated approach to deal with “real-life” financial planning situations.

BACHELOR'S DEGREE REQUIREMENT

In addition to completing courses that cover the financial planning topics required for CFP® certification, a bachelor's degree (or higher), or its equivalent¹, in any discipline, from an accredited U.S. college or university² is required to attain CFP® certification. The bachelor's degree requirement is a condition of initial certification; it is not a requirement to be eligible to take the CFP® Certification Examination. After you pass the CFP® Certification Examination, you will be required to provide evidence (official transcript from the degree-granting institution) that you hold a qualified bachelor's degree or higher degree.

You have five years from the date you pass the CFP® Certification Examination to satisfy the bachelor's degree and work experience requirements. If you have not reported to CFP Board your attainment of an acceptable bachelor's degree (or higher degree) and/or have not satisfied the work experience requirement within this time frame, your candidacy for CFP® certification may be terminated. A one-time, three year extension may be granted on a case-by-case basis. Requests for an extension should be sent to CFP Board by e-mail to initialcert@CFPBoard.org or by fax to 202-379-2299.

¹ International degrees may be substituted for a U.S. undergraduate degree if they receive equivalency from a third-party evaluation agency which is a member of National Association of Credential Evaluation Services (NACES) www.NACES.org. Applicants should request a document-by-document evaluation.

² An “accredited college or university” is one that has been accredited by an accreditation body recognized by the U.S. Department of Education. To confirm a school's accreditation please visit the Department of Education's Web site (ope.ed.gov/accreditation/Search.aspx)

COMPLETING THE EDUCATION REQUIREMENT

You can complete the education requirement for CFP® certification through one of the following four methods:

1. CFP Board-Registered Program

NO previous financial planning course work



CFP Board-Registered Program



CFP® Certification Examination

2. Multiple CFP Board-Registered Programs

NO previous financial planning course work



Coursework on some topics at CFP Board-Registered Program



Coursework on remaining topics at CFP Board-Registered Program(s)



CFP® Certification Examination

3. Challenge Status

CPA, ChFC, CLU, CFA®, D.B.A., Ph.D. (Business or Economics), Licensed attorney



CFP® Certification Examination

4. Transcript Review

Previous financial planning course work OR professional designation



Transcript Review OK?

Yes

No

Or



CFP Board-Registered Program



CFP® Certification Examination



College University Courses/ Professional Designation

CFP BOARD-REGISTERED PROGRAMS

You can complete a course of study in financial planning offered by a CFP Board-Registered Program, an educational institution with a curriculum registered with CFP Board. For the most up-to-date list, visit CFP Board's Web site at www.CFP.net/become.

Course Titles and Length of Study

CFP Board has reviewed the upper division undergraduate level or higher educational programs at registered institutions to ensure that they cover the core knowledge needed to practice personal financial planning. Regardless of program type, the curriculum taught must be the equivalent of at least 15 semester credit hours. Each educational institution may present the topics under various course names and titles, such as risk management, financial analysis or estate planning. However, each Registered Program will cover all of the topics needed to meet the educational coursework requirement for CFP® certification. Some programs include various specialized courses or a review course to better prepare you for the CFP® Certification Examination. Program Directors at any CFP Board-Registered Program have the authority to waive students out of courses in accordance with their college or university policy.

Contact one of the programs from the list on www.CFP.net/become for more information about courses offered, class schedules, tuition and transfer of credit for courses previously taken. In general, the course work in a certificate level program can be completed in 18 to 24 months.

CFP Board does not endorse one program over another. All programs cover the same core curriculum, yet vary in style, length and delivery method. They may be certificate programs, undergraduate programs or graduate programs. Programs can also differ in their delivery methods with some having traditional classroom-based instruction and others offering self-study or online courses. All institutions are accredited by their region's accrediting body.

Coursework from Multiple CFP Board-Registered Programs

If you have successfully completed individual courses at two or more CFP Board-Registered Programs but have not completed, or had credits transferred to, any one entire program, you may qualify to apply for the CFP® Certification Examination under the Multiple CFP Board-Registered Programs status. After applying for the exam you will be required to provide transcripts to verify completion of the educational coursework through this approach. Please note that not all CFP Board-Registered Programs have the same number of courses nor do they cover the core topics in the same order or course sequence. Programs may group or combine topics differently, and semester hour equivalencies may vary. To qualify to take the exam through this approach, you must have covered all required topics and have achieved the minimum 15 semester credits or the equivalent in core topics.

FINDING A CFP BOARD-REGISTERED PROGRAM

Updated lists of CFP Board-Registered Programs may be generated on CFP Board's Web site at www.CFP.net/become/programs.asp. Lists of programs can be selected by state or by type (e.g. Certificate programs, Undergraduate programs or Graduate programs), and a list of programs that utilize distance learning methods, such as self-study and/or online delivery methods can also be selected.

Important Questions to Ask about CFP Board-Registered Programs

Because the educational offerings are so varied, consider asking the Program Director the following questions when evaluating a program:

- What educational level is your curriculum (junior/senior baccalaureate, master's or doctorate level)?
- How long does it take to complete your curriculum?
- How much does your program cost? Does that amount include books, tests and other fees?
- Are you anticipating making changes to your program?
- How do you schedule your courses? How often are courses offered?
- Is your distance education program offered online or is it paper-based?
- What are the credentials of your faculty?
- Does your program have internships or job placement services?
- Does your program have a review course? Does it partner with a review course provider?
- Overall, how will your program prepare me to be a financial planner?

CHALLENGE STATUS

CFP Board accepts specific academic degrees and professional credentials as the equivalent of a course of study covering the financial planning topics required for CFP® certification. If you have one of the following degrees or credentials, you are automatically eligible to apply for the CFP® Certification Examination:

- Chartered Financial Consultant (ChFC)
- Chartered Life Underwriter (CLU)
- Chartered Financial Analyst® (CFA®)
- Ph.D. in business or economics*
- Doctor of Business Administration*
- Licensed attorney – inactive license acceptable**
- Licensed Certified Public Accountant (CPA) – (inactive license acceptable)**

Only the degrees and credentials listed above are approved for challenging the CFP® Certification Examination. In addition, the Certified Employee Benefits Specialists (CEBS) credential plus the addition of two courses will qualify an individual to sit for the CFP® Certification Examination (see details on page 12). If your degree or credential is not on this list, you may wish to consult the Transcript Review process as an alternate route to the CFP® Certification Examination (see details on page 14).

If you hold a qualified degree or credential that allows you to challenge the CFP® Certification Examination through the challenge status, your exam application must be accompanied or followed with specific documentation verifying your qualification (see details on page 12).

To apply for the CFP® Certification Examination under Challenge Status, visit CFP Board's Web site at www.CFP.net/become and complete the online application form.

*Degree must be from an accredited U.S. college or university.

**If you apply for challenge status on the basis of an inactive CPA license or law license, you will need to provide a letter from the applicable licensing board stating that you are in good standing with that authority.



Find a CFP Board-Registered Program at www.CFP.net/become/programs.asp. Search by state, type (certificate program, undergraduate degree or graduate degree) and delivery method.

CFP® Certification Examination

The CFP® Certification Examination is designed to assess your ability to apply financial planning knowledge to real-life financial planning situations. By passing this exam, you demonstrate to the public that you are at the appropriate level of competency required to practice financial planning.

DEVELOPMENT

To develop exams that reflect the current practice of financial planning, CFP Board conducts regular job analyses by reviewing the typical tasks performed by planners and assessing the knowledge and skills needed to perform these tasks.

Valid job-related exam topics are developed and exam questions written by task forces that include practicing financial planners and financial planning educators. The exam questions are subjected to a rigorous review by CFP Board's Council on Examinations and subcommittees of content experts composed of practicing planners and educators. Each question is answered – and assessed – by practicing financial planners. A list of exam topics can be found on page 20.

Samples of retired exam questions may be accessed on CFP Board's Web site at www.CFP.net/become. The sample multiple-choice questions provide you with an understanding of question format but should not be used as a practice exam or indicator of exam preparedness.

The CFP® Certification Examination tests current tax law, and the tax tables and other indexed numbers provided to examinees with the exam booklets will reflect current year tax law, with the exception of any recent tax law changes signed into law six months or less prior to the exam administration date. For example, a tax law signed into law in January would not be eligible for testing on the March exam but would be eligible for testing on the July exam and thereafter.

A document with the tax tables and other indexed numbers provided to examinees with the exam booklets is available on CFP Board's Web site with an indication of the exam administration(s) to which it applies.

Questions and Case Scenarios

All questions on the CFP® Certification Examination are presented in a multiple-choice format. There are two primary types of questions. The first type is in the form of a brief fact or scenario. Enough facts are given to allow the tester to answer from one to six questions that follow. These questions are worth two points each.

The second type of question is presented following an extensive case scenario. After reading each scenario, you will be asked to answer 10 to 20 multiple-choice questions. Typically, there are three case scenarios and three corresponding sets of questions on each exam. Each case question is worth three points.

Balance of Emphasis

The CFP® Certification Examination will test your ability to integrate knowledge from all of CFP Board's specified topic areas (see page 20). Questions may focus on individual topics or may require knowledge of several topics. Each exam attempts to achieve a distribution of the topics based on the target percentages shown for each category.



Go to www.CFP.net/become to view sample exam questions, tax tables and other indexed numbers, a list of financial planning topics covered on the exam, and upcoming exam deadlines.

Cognitive Level

The cognitive levels that are tested on the CFP® Certification Examination are:

- Knowledge
- Comprehension/Application
- Analysis/Synthesis
- Evaluation

The CFP® Certification Examination measures your critical thinking and problem-solving ability, with less emphasis on the first cognitive level.

ELIGIBILITY AND ACCEPTABLE QUALIFYING DOCUMENTATION

You can apply for the CFP® Certification Examination when you have successfully fulfilled the education coursework requirement or its equivalent (see page 7 for details).

To demonstrate your eligibility, you must provide the following documentation no later than 5:00 p.m. Eastern time on the application deadline. Late applications will not be accepted under any circumstances:

CFP Board-Registered Program

If you have successfully completed a CFP Board-Registered Program, please indicate the name of the institution, name of the program and the date of completion in the appropriate spaces on the online application.

You must provide photocopies of transcripts, diplomas, score reports or a letter of authorization from the Program Director. Do not send qualifying documentation separately. If qualifying documentation is not provided by the application deadline, your application will be considered incomplete and will be returned to you. This may result in missing the application deadline.

Multiple CFP Board-Registered Programs

You may apply for the exam under the Multiple CFP Board-Registered Program status if you: 1) successfully completed individual courses at two or more CFP Board-Registered Programs but have not completed, or had credits transferred to, any one entire program; 2) your studies covered all of the financial planning topics; and 3) you have achieved the minimum 15 semester credits or the equivalent in the core topics.

You must provide photocopies of transcripts, diplomas, score reports or letters of authorization from the Program Directors from each CFP Board-Registered Programs you attended. Do not send qualifying documentation separately. If qualifying documentation is not provided by the application deadline, your application will be considered incomplete and will be returned to you. This may result in missing the application deadline.

CEBS

If you hold the CEBS* credential, you may complete two additional courses to satisfy CFP Board's education coursework requirement.

**Individuals who hold the CEBS credential may complete two additional courses (Personal Financial Planning I and Personal Financial Planning II) from the Wharton School and the International Foundation for Employee Benefit Plans (IFEBC) to satisfy CFP Board's education requirement. These individuals will not need to complete a transcript review application or submit a transcript review fee. Instead, they should complete the CFP® Certification Examination Application and then send CFP Board a copy of the CEBS designation and either a transcript or score report showing completion of the Personal Financial Planning I and II courses.*

You must provide a photocopy of your CEBS designation plus a transcript or score report showing completion of the Personal Financial Planning I and II courses. Do not send qualifying documentation separately. If qualifying documentation is not provided by the application deadline, your application will be considered incomplete and will be returned to you. This may result in missing the application deadline.

CFA®

If you hold the CFA® designation, you are automatically eligible to apply for the CFP® Certification Examination under Challenge Status.

You must provide a photocopy of the certificate, a copy of the congratulatory letter from CFA Institute, a copy of a verification letter from CFA Institute or a printout of charter holder directory from CFA Institute's Web site, www.CFAinstitute.org.

CLU or ChFC

If you hold the CLU or ChFC designation, you are automatically eligible to apply for the CFP® Certification Examination under Challenge Status.

You must provide a copy of the certificate, a copy of the congratulatory letter from The American College, a transcript, a score report (only the last score report is necessary as it lists all previous credits/courses), Sylvan test site score report printouts or a printout from the student access center of The American College's Web site, www.TheAmericanCollege.edu.

CPA

If you are or have been (inactive license acceptable) a licensed CPA, you are automatically eligible to apply for the CFP® Certification Examination under Challenge Status.

You must provide a copy of your CPA license (must not be expired), a recent printout (not more than 90 days old) from a state board of accountancy Web site noting your current CPA license status (active) with unexpired expiration date, a copy of your inactive CPA license showing unexpired expiration date and a letter of good standing from state board of accountancy noting status (inactive), unexpired expiration date and statement of good standing, a recent printout (not more than 90 days old) from a state board of accountancy Web site noting your current status (inactive) with unexpired expiration date and statement noting status is in good standing (not available from all web sites). CFP Board will NOT accept CPA certificates, AICPA membership cards and expired, exempt or revoked licenses. State board of accountancy Web sites may be located through the AICPA Web site at www.aicpa.org/yellow/yypsboa.htm.

International CFP Certification

If you hold the CFP Certification in a territory other than the United States, you are automatically eligible to apply for the CFP® Certification Examination under Challenge Status.

You must provide written documentation verifying that you hold a current CFP certification issued by one of the affiliate organizations of Financial Planning Standards Board, Ltd.

Licensed Attorney

If you are or have been (inactive license acceptable) a licensed attorney, you are automatically eligible to apply for the CFP® Certification Examination under Challenge Status.



Go to www.CFP.net/become to apply for the exam.

You must provide a copy of your license (must not be expired), a recent (not more than 90 days old) letter of verification from appropriate licensing body noting you are admitted to practice, a recent printout (not more than 90 days old) from an appropriate licensing body's Web site showing active status and unexpired expiration date, or a letter from an appropriate licensing body noting your license is inactive but in good standing.

Ph.D. in Business, Economics or Business Administration (DBA)

If you hold a Ph.D. in Business, Economics or Business Administration (DBA), you are automatically eligible to apply for the CFP® Certification Examination under Challenge Status.

You must provide a copy of transcripts (unofficial or student issued are acceptable) or a letter from registrar's office noting conferment of degree and major. CFP Board does NOT accept copies of diplomas unless the major of economics, business or business administration is noted on the diploma.

Transcript Review

If you have covered some of the components in CFP Board's financial planning topic list through previous educational coursework not taken through a CFP Board-Registered Program, CFP Board will consider granting credit towards the educational coursework requirement for CFP® certification if:

1. You can demonstrate that you have successfully completed equivalent upper-division level college or university coursework at a regionally-accredited college or university;
and/or
2. You have one of the credentials listed below that CFP Board has pre-approved for partial credit.

Review the detailed topic list on page 20 and use the checklist on the backside of the Transcript Review Application against your college transcript(s) to assess if you have covered any CFP Board topics. The Transcript Review Application form is available on CFP Board's Web site at www.CFP.net/become.

Look for upper-division level courses (junior, senior or graduate level coursework with course numbers of typically 300 or greater) with titles such as Personal Income Tax, Insurance, Investments, Estate Planning, Retirement Planning and Personal Financial Planning.

To satisfy the entire educational coursework requirement via a transcript review, your financial planning-related coursework must total at least 15 upper-division semester hours or 20 quarter hours. The courses must have been taken at a U.S. regionally-accredited four-year educational institution.

If, after reviewing your transcript, you feel that you have completed all or part of the necessary financial planning topics at an appropriate institution, you may apply to CFP Board for a transcript review.

The following credentials have been deemed to fulfill certain portions of the education requirement for CFP® certification. The first column lists the credential; the second lists the corresponding topics in CFP Board's topic list.

Continuing education courses, firm training and/or FINRA or state licenses do not fulfill any part of CFP Board's initial educational requirement. Only those individuals who have received a letter from CFP Board indicating that they have successfully completed CFP Board's educational coursework requirement via a Transcript Review process qualify to sit for the CFP® Certification Examination under this category. Attach the letter of authorization from CFP Board to the application.

LOGISTICS

Test Dates

Credential	Topics satisfied on CFP Board's topic list
Associate of the Society of Actuaries (ASA)	10, 11, 34-43
Certified Employee Benefits Specialist (CEBS)*	10-15, 17, 18, 27, 34-41, 48, 60-67
Enrolled Agent (EA)	44-58
Fellow of the Society of Actuaries (FSA)	10, 11, 34-43

The CFP® Certification Examination is scheduled to last 10 hours over a day and a half and is held three times a year, generally on the third Friday and Saturday of March, July and November. The exam is a pencil-and-paper format and consists of one four-hour session on Friday afternoon and two three-hour sessions on Saturday. Exam locations are available in more than 50 locations around the U.S. Exact location sites are not secured until after the application deadline so that we may accommodate all applicants; information about exact exam location sites is provided to applicants approximately two weeks prior to the exam date.

Application Submittal

If you have completed the education coursework requirement for CFP® certification (or its equivalent) and are ready to apply for the CFP® Certification Examination, you may apply online at www.CFP.net/become.

CFP Board must receive complete exam applications no later than 5:00 p.m. Eastern time on the application deadline. Late applications will not be accepted under any circumstances. Only complete exam applications will be processed. The following constitutes a "complete" exam application:

- Application (in full) signed and dated
- Exam fee (in full)
- Appropriate qualifying documentation (e.g., transcript, certificate, diploma or license)

Your exam application will be reviewed by CFP Board; however, your exam will be administered by Prometric, in Lawrenceville, New Jersey.

Alternate Test Dates and Special Accommodations

If you cannot test on Fridays and/or Saturdays because of religious beliefs, CFP Board will make alternate testing arrangements. A written request for such accommodations must be included with the exam application, along with a letter from your religious leader.

CFP Board will make reasonable accommodations for anyone who, because of a disability, will need special accommodations to sit for the CFP® Certification Examination. A written request for such accommodations must be included with the exam application, along with a physician's letter outlining the disability and suggesting the special accommodations that would best address this disability.

International Test Sites

CFP Board will establish international test sites for the CFP® Certification Examination on a case-by-case basis for a site fee of \$1,475 in addition to the regular exam fee.



Go to www.CFP.net/become for an updated list of test dates and locations.

Fee

The fee for the CFP® Certification Examination is \$595 and must be paid in full by the application deadline. Provisions for refunds and conditions of forfeiture of fees are described in the “Withdrawal” section below.

Veteran Affairs

The fee for the CFP® Certification Examination is eligible for Veteran Affairs (VA) reimbursement through the License and Certification Approval System (LACAS) under United States Code Title 38, Chapter 3689. Go to www.gbill.va.gov/pamphlets/lcweb.htm (Licensing and Certification section) for more information.

Scheduling Confirmation

Upon acceptance of your exam application, you will be sent confirmation of your exam registration. You can also confirm your exam status with CFP Board at www.CFP.net/login.

You will be sent an admission ticket by e-mail approximately two weeks before the exam date. The exact time and location of the exam are printed on the ticket. You must bring the ticket with you to the exam on both days. In general, you must report to the testing facility by 12:30 p.m. on Friday and 8:30 a.m. on Saturday. A government-issued photo ID, matching the name under which you registered, must be presented at the exam center.

Withdrawal

If you are unable to take the CFP® Certification Examination for which you have registered, you have the following options:

1. Withdraw from the exam and re-register for a later exam, paying a \$50 re-registration fee.
2. Withdraw from the exam and request a refund of the refundable portion of your exam fee (\$50 of the exam fee is non-refundable).

You may withdraw from the exam and immediately re-register or request a refund, or you may maintain a credit with CFP Board of the refundable portion of your exam fee and re-register or request a refund up to 24 months from the date of the exam for which you last registered. **If you fail to re-register or request a refund within this 24-month period, the entire exam fee will be forfeited.**

The refundable portion of your exam fee is the amount of the exam fee, less the \$50 non-refundable fee.

CFP Board must receive requests for withdrawal from the exam no later than 5:00 p.m. Eastern Time on the withdrawal date listed for the CFP® Certification Examination for which you have registered. Go to www.CFP.net/become for exam dates, application details and withdrawal deadlines.

Requests for withdrawal or re-scheduling received after posted withdrawal deadlines will not be honored, and the entire exam fee will be forfeited.

Failure to Appear

If you fail to appear for the exam, you will forfeit the entire exam fee. Certain allowances are made for medical or other emergencies.

Medical or Other Emergencies

CFP Board will consider waiving the fee forfeiture in case of a medical emergency. Your request for

such a waiver must be made in writing and supported by verifying documentation from a physician, which clearly states that you are physically unable to appear for the exam due to personal or immediate family medical issues. Your request must be received within 10 business days after the exam dates. Requests will be reviewed on a case-by-case basis. Requests received after the 10 business day time-frame, or not supported by verifying documentation, will not be reviewed.

What to Bring to the Exam

You should bring the following items to the exam site:

- Admission ticket
- Government-issued photo identification, such as a driver's license, matching the name under which you registered
- #2 pencils (or other comparable soft graphite or mechanical pencils)
- One or more battery-powered, hand-held financial function calculator(s)*

Food or drink (including water) is not permitted in the exam room. Individuals who require access to food during any of the exam sessions may bring a small snack to be consumed outside of the exam room. All exam sites provide access to water fountains located outside of the exam room.

The exam booklets will contain other needed information, such as income tax rate tables for individuals, corporations and estates and trusts; income tax standard deductions, phaseout thresholds for itemized deductions and personal exemptions; the estate and gift tax table and a table of applicable credit amounts; investment formulas; and scratch paper. The investment formulas provided in each test booklet are listed on page 28.

Misconduct

You will be expected to conduct yourself in an ethical manner before, during and after the CFP® Certification Examination. Actions such as, but not limited to, using any prohibited aids in connection with the exam, attempting to give or receive assistance, or otherwise communicate in any form with another person about the exam during the exam administration, will result in investigation by an independent entity and/or CFP Board. In some cases, CFP Board may take disciplinary action, if appropriate. If you are found to have demonstrated exam misconduct, your exam may not be scored, the exam fee may be forfeited and you may be barred from taking any CFP Board exam for three years from the date of the incident.

Before taking the exam you will sign a statement prohibiting you from sharing exam questions with any entity other than CFP Board. Revealing questions may result in disciplinary action including, but not limited to, monetary restitution, being permanently barred from taking any CFP Board exam or prosecution under copyright law. If a review course provider or academic program asks you to reveal specific questions - as opposed to a general impression of the exam and strengths/deficiencies in that provider's program - please report the incident to CFP Board.

**You will need a financial calculator with an internal rate of return (IRR) function for problems with unequal periodic cash flows. Calculators with alpha-beta keys and/or paper-tape printing capabilities will not be permitted. Calculators must be cleared of all programmed formulas prior to each section of the exam, and no programming functions on the calculator may be used during the exam. Calculators are subject to inspection by proctors, and violation of this policy will result in removal from the exam room and forfeiture of the exam registration fee.*



Set up a free account at www.CFP.net/account to apply for the exam and get important updates on exam information.

SCORING

Answers to the exam questions must be recorded on the answer sheet. No credit is given for answers noted in the exam booklet. Select only one answer for each question. Multiple responses to a single question will be scored as incorrect. Your score is based on the number of correctly answered questions.

Exam Results

Exam results are released approximately eight weeks after the exam date and are delivered via first class mail. Approximately one week after the results are mailed, exam results will also be made available through CFP Board's Web site at www.CFP.net/login (you will need to log in to access your personal results).

Neither CFP Board nor Prometric will disclose exam results over the phone, by fax or by e-mail. All exam books are the property of CFP Board and will not be returned to you.

Pass Score

The CFP® Certification Examination is a pass or fail exam. The primary goal of a certification exam is to separate those who have met the certification standard (passing) from those who have not (failing). Certification exams are generally constructed to provide the best precision at the passing point. They are not designed to rank-order candidates. Therefore, rank-ordering scores in a fashion that would suggest the degree to which a candidate failed (or passed) would be an inappropriate use of test results.

The method used to score your exam (a modified Angoff method) is in accordance with voluntary certification examination standards. Establishing the pass score is based upon a "criterion-referenced" rather than "norm-referenced" methodology. The norm-referenced methodology, which is common in the academic world, uses a bell curve to establish the "average" score needed to pass the exam. Whether you pass or fail a norm-referenced exam depends on your relative standing in comparison to the other test takers.

In contrast, the criterion-referenced methodology does not rely on a bell curve. Your performance will not be ranked in comparison to others taking the test. Instead, your performance is scored against an established level of competency. Also, although every effort is made to calibrate test difficulty level in advance, there always will be slight differences in the overall ease or difficulty of one exam as compared with another. So, before the minimum passing score is set for this exam it will be statistically equated with past exams. This means that you will not be advantaged if this exam is easier than past exams, nor will you be disadvantaged if it is more difficult.

If you fail the exam, you will receive feedback on the major content areas where your test performance was below the minimum competency level. Scores, percentages or grades are not provided on this exam.

RE-EXAMINATION PROCEDURES

If you fail the CFP® Certification Examination and elect to retake, you are required to retake the entire exam. There is no limit on the number of times you may retake the exam. You will have to pay the current exam fee for each retake.

REVIEW AND APPEALS

For security reasons, exam material is not available for review. Neither the staff of Prometric nor of CFP Board will discuss specific exam questions. You may submit your comments about exam questions in writing via email to examinations@CFPBoard.org or by mail to:

CFP Board
ATTN: Exam Administrator
1425 K Street, NW, Suite 500
Washington, DC 20005

All comments about exam questions must be received by CFP Board by midnight Eastern time on the Wednesday following the exam dates in order to be considered and reviewed. CFP Board's Council on Examinations will review comments relating to the exam but will not make written responses to comments.

If you feel your answer sheet was scored incorrectly, you may request a hand scoring for a \$40 fee. Submit a request to CFP Board by calling 800-487-1497 within 10 business days of the online release of the exam results. Requests made after the 10 business days will not be honored. In the event there is a discrepancy between the hand-scored and machine-scored results, hand-scored results will prevail.

Appeals of exam policies are handled by CFP Board's Council on Examinations, which meets three times a year. Specific requests for appeals must be made in writing and addressed to the Council on Examinations in care of CFP Board. Appeals will be reviewed by the Council on Examinations at its regularly scheduled meetings.

EXAM REVIEW COURSE PROVIDERS

CFP Board does not assess the quality, nor does it endorse or recommend any one of the courses or its materials. Review course providers' performance ratios are not available from CFP Board.

When seeking review courses or study materials for the CFP® Certification Examination, consider asking the following questions of the provider:

- Do key personnel have the backgrounds required to develop and maintain the course? Is a CFP® certificant involved in the development and maintenance of the course material?
- How do I sign up, receive materials, ask questions or access faculty? Does the provider have written complaint policies/procedures?
- Does the provider offer a live review course, and is there one scheduled in my area?
- What is the cost of the course and materials; dates of availability; cost of updates, if any?
- Does the provider possess the organizational and financial resources to carry out its program on a continuing basis?

Topic List for CFP® Certification Examination

The Topic List for CFP® Certification Examination, based on the 2004 Job Analysis Study, is the basis for the CFP® Certification Examinations. Each exam question will be linked to one of the following topics, in the approximate percentages indicated following the general headings. Questions will pertain to all levels in Bloom's taxonomy with an emphasis on the higher cognitive levels. Questions often will be asked in the context of the financial planning process and presented in an integrative format.

In addition to being used for the CFP® Certification Examination, this list indicates topic coverage requirements to fulfill the pre-certification educational requirement. Continuing education (CE) programs and materials that address these topics will be eligible for CFP Board CE credit.

(References to sections (§) in this list refer to sections of the Internal Revenue Code)

First Test Date: November 2006

GENERAL PRINCIPLES OF FINANCIAL PLANNING (11%)

- I. Financial planning process
 - A. Purpose, benefits, and components
 - B. Steps
 - 1) Establishing client-planner relationships
 - 2) Gathering client data and determining goals and expectations
 - 3) Determining the client's financial status by analyzing and evaluating general financial status, special needs, insurance and risk management, investments, taxation, employee benefits, retirement, and/or estate planning
 - 4) Developing and presenting the financial plan
 - 5) Implementing the financial plan
 - 6) Monitoring the financial plan
 - C. Responsibilities
 - 1) Financial planner
 - 2) Client
 - 3) Other advisors
2. CFP Board's Code of Ethics and Professional Responsibility and Rules of Conduct
 - A. Introduction
 - 1) Contents
 - 2) Terminology
 - B. Code of Ethics and Professional Responsibility
 - 1) Principle 1 - Integrity
 - 2) Principle 2 - Objectivity
 - 3) Principle 3 - Competence
 - 4) Principle 4 - Fairness
 - 5) Principle 5 - Confidentiality
 - 6) Principle 6 - Professionalism
 - 7) Principle 7 - Diligence
 - C. Rules of Conduct
 - D. Enforcement through *Disciplinary Rules and Procedures*
3. CFP Board's *Financial Planning Practice Standards*
 - A. Purpose and applicability
- B. Content of each series
- C. Enforcement through *Disciplinary Rules and Procedures*
4. Financial statements
 - A. Personal
 - 1) Statement of financial position
 - 2) Statement of cash flow
 - B. Business
 - 1) Balance sheet
 - 2) Income statement
 - 3) Statement of cash flows
 - 4) Pro forma statements
5. Cash flow management
 - A. Budgeting
 - B. Emergency fund planning
 - C. Debt management ratios
 - 1) Consumer debt
 - 2) Housing costs
 - 3) Total debt
 - D. Savings strategies
6. Financing strategies
 - A. Long-term vs. short-term debt
 - B. Secured vs. unsecured debt
 - C. Buy vs. lease/rent
 - D. Mortgage financing
 - 1) Conventional vs. adjustable-rate mortgage (ARM)
 - 2) Home equity loan and line of credit
 - 3) Refinancing cost-benefit analysis
 - 4) Reverse mortgage
7. Function, purpose, and regulation of financial institutions
 - A. Banks
 - B. Credit unions
 - C. Brokerage companies
 - D. Insurance companies
 - E. Mutual fund companies
 - F. Trust companies
8. Education planning
- A. Funding
 - 1) Needs analysis
 - 2) Tax credits/adjustments/deductions
 - 3) Funding strategies
 - 4) Ownership of assets
 - 5) Vehicles
 - a) Qualified tuition programs (§529 plans)
 - b) Coverdell Education Savings Accounts
 - c) Uniform Transfers to Minors Act (UTMA) and Uniform Gifts to Minors Act (UGMA) accounts
 - d) Savings bonds
- B. Financial aid
9. Financial planning for special circumstances
 - A. Divorce
 - B. Disability
 - C. Terminal illness
 - D. Non-traditional families
 - E. Job change and job loss
 - F. Dependents with special needs
 - G. Monetary windfalls
10. Economic concepts
 - A. Supply and demand
 - B. Fiscal policy
 - C. Monetary policy
 - D. Economic indicators
 - E. Business cycles
 - F. Inflation, deflation, and stagflation
 - G. Yield curve
11. Time value of money concepts and calculations
 - A. Present value
 - B. Future value
 - C. Ordinary annuity and annuity due
 - D. Net present value (NPV)
 - E. Internal rate of return (IRR)
 - F. Uneven cash flows
 - G. Serial payments
12. Financial services regulations and require-

- ments
 - A. Registration and licensing
 - B. Reporting
 - C. Compliance
 - D. State securities and insurance laws
- 13. Business law
 - A. Contracts
 - B. Agency
 - C. Fiduciary liability
- 14. Consumer protection laws
 - A. Bankruptcy
 - B. Fair credit reporting laws
 - C. Privacy policies
 - D. Identity theft protection

INSURANCE PLANNING AND RISK MANAGEMENT (14%)

- 15. Principles of risk and insurance
 - A. Definitions
 - B. Concepts
 - 1) Peril
 - 2) Hazard
 - 3) Law of large numbers
 - 4) Adverse selection
 - 5) Insurable risks
 - 6) Self-insurance
 - C. Risk management process
 - D. Response to risk
 - 1) Risk control
 - a) Risk avoidance
 - b) Risk diversification
 - c) Risk reduction
 - 2) Risk financing
 - a) Risk retention
 - b) Risk transfer
 - E. Legal aspects of insurance
 - 1) Principle of indemnity
 - 2) Insurable interest
 - 3) Contract requirements
 - 4) Contract characteristics
 - 5) Policy ownership
 - 6) Designation of beneficiary
- 16. Analysis and evaluation of risk exposures
 - A. Personal
 - 1) Death
 - 2) Disability
 - 3) Poor health
 - 4) Unemployment
 - 5) Superannuation
 - B. Property
 - 1) Real
 - 2) Personal
 - 3) Auto
 - C. Liability
 - 1) Negligence
 - 2) Intentional torts
 - 3) Strict liability
 - D. Business-related
- 17. Property, casualty and liability insurance
 - A. Individual

- 1) Homeowners insurance
- 2) Auto insurance
- 3) Umbrella liability insurance
- B. Business
 - 1) Commercial property insurance
 - 2) Commercial liability insurance
 - a) Auto liability
 - b) Umbrella liability
 - c) Professional liability
 - d) Directors and officers liability
 - e) Workers' compensation and employers liability
- 18. Health insurance and health care cost management (individual)
 - A. Hospital, surgical, and physicians' expense insurance
 - B. Major medical insurance and calculation of benefits
 - C. Continuation and portability
 - D. Medicare
 - E. Taxation of premiums and benefits
- 19. Disability income insurance (individual)
 - A. Definitions of disability
 - B. Benefit period
 - C. Elimination period
 - D. Benefit amount
 - E. Provisions
 - F. Taxation of premiums and benefits
- 20. Long-term care insurance (individual)
 - A. Eligibility
 - B. Services covered
 - C. Medicare limitations
 - D. Benefit period
 - E. Elimination period
 - F. Benefit amount
 - G. Provisions
 - H. Taxation of premiums and benefits
- 21. Life insurance (individual)
 - A. Concepts and personal uses
 - B. Policy types
 - C. Contractual provisions
 - D. Dividend options
 - E. Nonforfeiture options
 - F. Settlement options
 - G. Illustrations
 - H. Policy replacement
 - I. Viatical and life settlements
- 22. Income taxation of life insurance
 - A. Dividends
 - B. Withdrawals and loans
 - C. Death benefits
 - D. Modified endowment contracts (MECs)
 - E. Transfer-for-value
 - F. §1035 exchanges
- 23. Business uses of insurance
 - A. Buy-sell agreements
 - B. Key employee life insurance
 - C. Split-dollar life insurance
 - D. Business overhead expense insurance
- 24. Insurance needs analysis

- A. Life insurance
- B. Disability income insurance
- C. Long-term care insurance
- D. Health insurance
- E. Property insurance
- F. Liability insurance
- 25. Insurance policy and company selection
 - A. Purpose of coverage
 - B. Duration of coverage
 - C. Participating or non-participating
 - D. Cost-benefit analysis
 - E. Company selection
 - 1) Industry ratings
 - 2) Underwriting
- 26. Annuities
 - A. Types
 - B. Uses
 - C. Taxation

EMPLOYEE BENEFITS PLANNING (8%)

- 27. Group life insurance
 - A. Types and basic provisions
 - 1) Group term
 - 2) Group permanent
 - 3) Dependent coverage
 - B. Income tax implications
 - C. Employee benefit analysis and application
 - D. Conversion analysis
- 28. Group disability insurance
 - A. Types and basic provisions
 - 1) Short-term coverage
 - 2) Long-term coverage
 - B. Definitions of disability
 - C. Income tax implications
 - D. Employee benefit analysis and application
 - E. Integration with other income
- 29. Group medical insurance
 - A. Types and basic provisions
 - 1) Traditional indemnity
 - 2) Managed care plans
 - a) Preferred provider organization (PPO)
 - b) Health maintenance organization (HMO)
 - c) Point-of-service (POS)
 - B. Income tax implications
 - C. Employee benefit analysis and application
 - D. COBRA/HIPAA provisions
 - E. Continuation
 - F. Savings accounts
 - 1) Health savings account (HSA)
 - 2) Archer medical savings account (MSA)
 - 3) Health reimbursement arrangement (HRA)
- 30. Other employee benefits
 - A. §125 cafeteria plans and flexible spending accounts (FSAs)

- B. Fringe benefits
 - C. Voluntary employees' beneficiary association (VEBA)
 - D. Prepaid legal services
 - E. Group long-term care insurance
 - F. Dental insurance
 - G. Vision insurance
31. Employee stock options
- A. Basic provisions
 - 1) Company restrictions
 - 2) Transferability
 - 3) Exercise price
 - 4) Vesting
 - 5) Expiration
 - 6) Cashless exercise
 - B. Incentive stock options (ISOs)
 - 1) Income tax implications (regular, AMT, basis)
 - a) Upon grant
 - b) Upon exercise
 - c) Upon sale
 - 2) Holding period requirements
 - 3) Disqualifying dispositions
 - 4) Planning opportunities and strategies
 - C. Non-qualified stock options (NSOs)
 - 1) Income tax implications (regular, AMT, basis)
 - a) Upon grant
 - b) Upon exercise
 - c) Upon sale
 - 2) Gifting opportunities
 - a) Unvested/vested
 - b) Exercised/unexercised
 - c) Gift tax valuation
 - d) Payment of gift tax
 - 3) Planning opportunities and strategies
 - 4) Employee benefits analysis and application
 - D. Planning strategies for employees with both incentive stock options and non-qualified stock options
 - E. Election to include in gross income in the year of transfer (§83(b) election)
32. Stock plans
- A. Types and basic provisions
 - 1) Restricted stock
 - 2) Phantom stock
 - 3) Stock appreciation rights(SARs)
 - 4) Employee stock purchase plan (ESPP)
 - B. Income tax implications
 - C. Employee benefit analysis and application
 - D. Election to include in gross income in the year of transfer (§83(b) election)
33. Non-qualified deferred compensation
- A. Basic provisions and differences from qualified plans
 - B. Types of plans and applications
 - 1) Salary reduction plans
 - 2) Salary continuation plans
 - 3) Rabbi trusts
 - 4) Secular trusts
- C. Income tax implications
 - 1) Constructive receipt
 - 2) Substantial risk of forfeiture
 - 3) Economic benefit doctrine
 - D. Funding methods
 - E. Strategies
- INVESTMENT PLANNING (19%)**
34. Characteristics, uses and taxation of investment vehicles
- A. Cash and equivalents
 - 1) Certificates of deposit
 - 2) Money market funds
 - 3) Treasury bills
 - 4) Commercial paper
 - 5) Banker's acceptances
 - 6) Eurodollars
 - B. Individual bonds
 - 1) U.S. Government bonds and agency securities
 - a) Treasury notes and bonds
 - b) Treasury STRIPS
 - c) Treasury inflation-protection securities (TIPS)
 - d) Series EE, HH, and I bonds
 - e) Mortgage-backed securities
 - 2) Zero-coupon bonds
 - 3) Municipal bonds
 - a) General obligation
 - b) Revenue
 - 4) Corporate bonds
 - a) Mortgage bond
 - b) Debenture
 - c) Investment grade
 - d) High-yield
 - e) Convertible
 - f) Callable
 - 5) Foreign bonds
 - C. Promissory notes
 - D. Individual stocks
 - 1) Common
 - 2) Preferred
 - 3) American depositary receipts (ADRs)
 - E. Pooled and managed investments
 - 1) Exchange-traded funds (ETFs)
 - 2) Unit investment trusts
 - 3) Mutual funds
 - 4) Closed-end investment companies
 - 5) Index securities
 - 6) Hedge funds
 - 7) Limited partnerships
 - 8) Privately managed accounts
 - 9) Separately managed accounts
 - F. Guaranteed investment contracts (GICs)
 - G. Real Estate
 - 1) Investor-managed
 - 2) Real estate investment trusts (REITs)
 - 3) Real estate limited partnerships (RELPs)
 - 4) Real estate mortgage investment conduits (REMICs)
- H. Alternative investments
 - 1) Derivatives
 - a) Puts
 - b) Calls
 - c) Long-term Equity Anticipation Securities (LEAPS®)
 - d) Futures
 - e) Warrants and rights
 - 2) Tangible assets
 - a) Collectibles
 - b) Natural resources
 - c) Precious metals
35. Types of investment risk
- A. Systematic/market/nondiversifiable
 - B. Purchasing power
 - C. Interest rate
 - D. Unsystematic/nonmarket/diversifiable
 - E. Business
 - F. Financial
 - G. Liquidity and marketability
 - H. Reinvestment
 - I. Political (sovereign)
 - J. Exchange rate
 - K. Tax
 - L. Investment manager
36. Quantitative investment concepts
- A. Distribution of returns
 - 1) Normal distribution
 - 2) Lognormal distribution
 - 3) Skewness
 - 4) Kurtosis
 - B. Correlation coefficient
 - C. Coefficient of determination (R²)
 - D. Coefficient of variation
 - E. Standard deviation
 - F. Beta
 - G. Covariance
 - H. Semivariance
37. Measures of investment returns
- A. Simple vs. compound return
 - B. Geometric average vs. arithmetic average return
 - C. Time-weighted vs. dollar-weighted return
 - D. Real (inflation-adjusted) vs. nominal return
 - E. Total return
 - F. Risk-adjusted return
 - G. Holding period return
 - H. Internal rate of return (IRR)
 - I. Yield-to-maturity
 - J. Yield-to-call
 - K. Current yield
 - L. Taxable equivalent yield (TEY)
38. Bond and stock valuation concepts
- A. Bond duration and convexity
 - B. Capitalized earnings
 - C. Dividend growth models
 - D. Ratio analysis
 - 1) Price/earnings
 - 2) Price/free cash flow

- 3) Price/sales
 - 4) Price/earnings + growth (PEG)
 - E. Book value
39. Investment theory
- A. Modern portfolio theory (MPT)
 - 1) Capital market line (CML)
 - a) Mean-variance optimization
 - b) Efficient frontier
 - 2) Security market line (SML)
 - B. Efficient market hypothesis (EMH)
 - 1) Strong form
 - 2) Semi-strong form
 - 3) Weak form
 - 4) Anomalies
 - C. Behavioral finance
40. Portfolio development and analysis
- A. Fundamental analysis
 - 1) Top-down analysis
 - 2) Bottom-up analysis
 - 3) Ratio analysis
 - a) Liquidity ratios
 - b) Activity ratios
 - c) Profitability ratios
 - d) Debt ratios
 - B. Technical analysis
 - 1) Charting
 - 2) Sentiment indicators
 - 3) Flow of funds indicators
 - 4) Market structure indicators
 - C. Investment policy statements
 - D. Appropriate benchmarks
 - E. Probability analysis, including Monte Carlo
 - F. Tax efficiency
 - 1) Turnover
 - 2) Timing of capital gains and losses
 - 3) Wash sale rule
 - 4) Qualified dividends
 - 5) Tax-free income
 - G. Performance measures
 - 1) Sharpe ratio
 - 2) Treynor ratio
 - 3) Jensen ratio
 - 4) Information ratio
41. Investment strategies
- A. Market timing
 - B. Passive investing (indexing)
 - C. Buy and hold
 - D. Portfolio immunization
 - E. Swaps and collars
 - F. Formula investing
 - 1) Dollar cost averaging
 - 2) Dividend reinvestment plans (DRIPs)
 - 3) Bond ladders, bullets, and barbells
 - G. Use of leverage (margin)
 - H. Short selling
 - I. Hedging and option strategies
42. Asset allocation and portfolio diversification
- A. Strategic asset allocation
 - 1) Application of client lifecycle analy-

- sis
 - 2) Client risk tolerance measurement and application
 - 3) Asset class definition and correlation
- B. Rebalancing
 - C. Tactical asset allocation
 - D. Control of volatility
 - E. Strategies for dealing with concentrated portfolios
43. Asset pricing models
- A. Capital asset pricing model (CAPM)
 - B. Arbitrage pricing theory (APT)
 - C. Black-Scholes option valuation model
 - D. Binomial option pricing

INCOME TAX PLANNING (14%)

44. Income tax law fundamentals
- A. Types of authority
 - 1) Primary
 - 2) Secondary
 - B. Research sources
45. Tax compliance
- A. Filing requirements
 - B. Audits
 - C. Penalties
46. Income tax fundamentals and calculations
- A. Filing status
 - B. Gross income
 - 1) Inclusions
 - 2) Exclusions
 - 3) Imputed income
 - C. Adjustments
 - D. Standard/Itemized deductions
 - 1) Types
 - 2) Limitations
 - E. Personal and dependency exemptions
 - F. Taxable income
 - G. Tax liability
 - 1) Rate schedule
 - 2) Kiddie tax
 - 3) Self-employment tax
 - H. Tax credits
 - I. Payment of tax
 - 1) Withholding
 - 2) Estimated payments
47. Tax accounting
- A. Accounting periods
 - B. Accounting methods
 - 1) Cash receipts and disbursements
 - 2) Accrual method
 - 3) Hybrid method
 - 4) Change in accounting method
 - C. Long-term contracts
 - D. Installment sales
 - E. Inventory valuation and flow methods
 - F. Net operating losses
48. Characteristics and income taxation of business entities

- A. Entity types
 - 1) Sole proprietorship
 - 2) Partnerships
 - 3) Limited liability company (LLC)
 - 4) Corporations
 - 5) Trust
 - 6) Association
 - B. Taxation at entity and owner level
 - 1) Formation
 - 2) Flow through of income and losses
 - 3) Special taxes
 - 4) Distributions
 - 5) Dissolution
 - 6) Disposition
49. Income taxation of trusts and estates
- A. General issues
 - 1) Filing requirements
 - 2) Deadlines
 - 3) Choice of taxable year
 - 4) Tax treatment of distributions to beneficiaries
 - 5) Rate structure
 - B. Grantor/Nongrantor trusts
 - C. Simple/Complex trusts
 - D. Revocable/Irrevocable trusts
 - E. Trust income
 - 1) Trust accounting income
 - 2) Trust taxable income
 - 3) Distributable net income (DNI)
 - F. Estate income tax
50. Basis
- A. Original basis
 - B. Adjusted basis
 - C. Amortization and accretion
 - D. Basis of property received by gift and in nontaxable transactions
 - E. Basis of inherited property (community and non-community property)
51. Depreciation/cost-recovery concepts
- A. Modified Accelerated Cost Recovery System (MACRS)
 - B. Expensing policy
 - C. §179 deduction
 - D. Amortization
 - E. Depletion
52. Tax consequences of like-kind exchanges
- A. Reporting requirements
 - B. Qualifying transactions
 - C. Liabilities
 - D. Boot
 - E. Related party transactions
53. Tax consequences of the disposition of property
- A. Capital assets (§1221)
 - B. Holding period
 - C. Sale of residence
 - D. Depreciation recapture
 - E. Related parties
 - F. Wash sales
 - G. Bargain sales
 - H. Section 1244 stock (small business stock election)

- I. Installment sales
 - J. Involuntary conversions
54. Alternative minimum tax (AMT)
- A. Mechanics
 - B. Preferences and adjustments
 - C. Exclusion items vs. deferral items
 - D. Credit: creation, usage, and limitations
 - E. Application to businesses and trusts
 - F. Planning strategies
55. Tax reduction/management techniques
- A. Tax credits
 - B. Accelerated deductions
 - C. Deferral of income
 - D. Intra-family transfers
56. Passive activity and at-risk rules
- A. Definitions
 - B. Computations
 - C. Treatment of disallowed losses
 - D. Disposition of passive activities
 - E. Real estate exceptions
57. Tax implications of special circumstances
- A. Married/widowed
 - 1) Filing status
 - 2) Children
 - 3) Community and non-community property
 - B. Divorce
 - 1) Alimony
 - 2) Child support
 - 3) Property division
58. Charitable contributions and deductions
- A. Qualified entities
 - 1) Public charities
 - 2) Private charities
 - B. Deduction limitations
 - C. Carryover periods
 - D. Appreciated property
 - E. Non-deductible contributions
 - F. Appraisals
 - G. Substantiation requirements
 - H. Charitable contributions by business entities
- D. Straight-line returns vs. probability analysis
 - E. Pure annuity vs. capital preservation
 - F. Alternatives to compensate for projected cash-flow shortfalls
60. Social Security (Old Age, Survivor, and Disability Insurance, OASDI)
- A. Paying into the system
 - B. Eligibility and benefit
 - 1) Retirement
 - 2) Disability
 - 3) Survivor
 - 4) Family limitations
 - C. How benefits are calculated
 - D. Working after retirement
 - E. Taxation of benefits
61. Types of retirement plans
- A. Characteristics
 - 1) Qualified plans
 - 2) Non-qualified plans
 - B. Types and basic provisions of qualified plans
 - 1) Defined contribution
 - a) Money purchase
 - b) Target benefit
 - c) Profit sharing
 - 1) 401(k) plan
 - 2) Safe harbor 401(k) plan
 - 3) Age-based plan
 - 4) Stock bonus plan
 - 5) Employee stock ownership plan (ESOP)
 - 6) New comparability plan
 - 7) Thrift plan
 - 2) Defined benefit
 - a) Traditional
 - b) Cash balance
 - c) 412(i) plan
62. Qualified plan rules and options
- A. Nondiscrimination and eligibility requirements
 - 1) Age and service requirements
 - 2) Coverage requirements
 - 3) Minimum participation
 - 4) Highly compensated employee (HCE)
 - 5) Permitted vesting schedules
 - 6) ADP/ACP testing
 - 7) Controlled group
 - B. Integration with Social Security/disparity limits
 - 1) Defined benefit plans
 - 2) Defined contribution plans
 - C. Factors affecting contributions or benefits
 - 1) Deduction limit (§404(c))
 - 2) Defined contribution limits
 - 3) Defined benefit limit
 - 4) Annual compensation limit
 - 5) Definition of compensation
 - 6) Multiple plans
 - 7) Special rules for self-employed (non-corporations)
- D. Top-heavy plans
 - 1) Definition
 - 2) Key employee
 - 3) Vesting
 - 4) Effects on contributions or benefits
 - E. Loans from qualified plans
63. Other tax-advantaged retirement plans
- A. Types and basic provisions
 - 1) Traditional IRA
 - 2) Roth IRA, including conversion analysis
 - 3) SEP
 - 4) SIMPLE
 - 5) §403(b) plans
 - 6) §457 plans
 - 7) Keogh (HR-10) plans
64. Regulatory considerations
- A. Employee Retirement Income Security Act (ERISA)
 - B. Department of Labor (DOL) regulations
 - C. Fiduciary liability issues
 - D. Prohibited transactions
 - E. Reporting requirements
65. Key factors affecting plan selection for businesses
- A. Owner's personal objectives
 - 1) Tax considerations
 - 2) Capital needs at retirement
 - 3) Capital needs at death
 - B. Business' objectives
 - 1) Tax considerations
 - 2) Administrative cost
 - 3) Cash flow situation and outlook
 - 4) Employee demographics
 - 5) Comparison of defined contribution and defined benefit plan alternatives
66. Investment considerations for retirement plans
- A. Suitability
 - B. Time horizon
 - C. Diversification
 - D. Fiduciary considerations
 - E. Unrelated business taxable income (UBTI)
 - F. Life insurance
 - G. Appropriate assets for tax-advantaged vs. taxable accounts
67. Distribution rules, alternatives, and taxation
- A. Premature distributions
 - 1) Penalties
 - 2) Exceptions to penalties
 - 3) Substantially equal payments (§72(t))
 - B. Election of distribution options
 - 1) Lump sum distributions
 - 2) Annuity options
 - 3) Rollover
 - 4) Direct transfer
 - C. Required minimum distributions
 - 1) Rules
 - 2) Calculations
 - 3) Penalties
 - D. Beneficiary considerations/Stretch IRAs

RETIREMENT PLANNING (19%)

59. Retirement needs analysis
- A. Assumptions for retirement planning
 - 1) Inflation
 - 2) Retirement period and life expectancy
 - 3) Lifestyle
 - 4) Total return
 - B. Income sources
 - C. Financial needs
 - 1) Living costs
 - 2) Charitable and beneficiary gifting objectives
 - 3) Medical costs, including long-term care needs analysis
 - 4) Other (trust and foundation funding, education funding, etc.)

- E. Qualified domestic relations order (QDRO)
 - F. Taxation of distributions
 - 1) Tax management techniques
 - 2) Net unrealized appreciation (NUA)
- ESTATE PLANNING (15%)**
68. Characteristics and consequences of property titling
- A. Community property vs. non-community property
 - B. Sole ownership
 - C. Joint tenancy with right of survivorship (JTWRROS)
 - D. Tenancy by the entirety
 - E. Tenancy in common
 - F. Trust ownership
69. Methods of property transfer at death
- A. Transfers through the probate process
 - 1) Testamentary distribution
 - 2) Intestate succession
 - 3) Advantages and disadvantages of probate
 - 4) Assets subject to probate estate
 - 5) Probate avoidance strategies
 - 6) Ancillary probate administration
 - B. Transfers by operation of law
 - C. Transfers through trusts
 - D. Transfers by contract
70. Estate planning documents
- A. Wills
 - 1) Legal requirements
 - 2) Types of wills
 - 3) Modifying or revoking a will
 - 4) Avoiding will contests
 - B. Powers of Attorney
 - C. Trusts
 - D. Marital property agreements
 - E. Buy-sell agreements
71. Gifting strategies
- A. Inter-vivos gifting
 - B. Gift-giving techniques and strategies
 - C. Appropriate gift property
 - D. Strategies for closely-held business owners
 - E. Gifts of present and future interests
 - F. Gifts to non-citizen spouses
 - G. Tax implications
 - 1) Income
 - 2) Gift
 - 3) Estate
 - 4) Generation-skipping transfer tax (GSTT)
72. Gift tax compliance and tax calculation
- A. Gift tax filing requirements
 - B. Calculation
 - 1) Annual exclusion
 - 2) Applicable credit amount
 - 3) Gift splitting
 - 4) Prior taxable gifts
 - 5) Education and medical exclusions
 - 6) Marital and charitable deductions
 - 7) Tax liability
73. Incapacity planning
- A. Definition of incapacity
 - B. Powers of attorney
 - 1) For health care decisions
 - 2) For asset management
 - 3) Durable feature
 - 4) Springing power
 - 5) General or limited powers
 - C. Advance medical directives (e.g. living wills)
 - D. Guardianship and conservatorship
 - E. Revocable living trust
 - F. Medicaid planning
 - G. Special needs trust
74. Estate tax compliance and tax calculation
- A. Estate tax filing requirements
 - B. The gross estate
 - 1) Inclusions
 - 2) Exclusions
 - C. Deductions
 - D. Adjusted gross estate
 - E. Deductions from the adjusted gross estate
 - F. Taxable estate
 - G. Adjusted taxable gifts
 - H. Tentative tax base
 - I. Tentative tax calculation
 - J. Credits
 - 1) Gift tax payable
 - 2) Applicable credit amount
 - 3) Prior transfer credit
75. Sources for estate liquidity
- A. Sale of assets
 - B. Life insurance
 - C. Loan
76. Powers of appointment
- A. Use and purpose
 - B. General and special (limited) powers
 - 1) 5-and-5 power
 - 2) Crummey powers
 - 3) Distributions for an ascertainable standard
 - 4) Lapse of power
 - C. Tax implications
77. Types, features, and taxation of trusts
- A. Classification
 - 1) Simple and complex
 - 2) Revocable and irrevocable
 - 3) Inter-vivos and testamentary
 - B. Types and basic provisions
 - 1) Totten trust
 - 2) Spendthrift trust
 - 3) Bypass trust
 - 4) Marital trust
 - 5) Qualified terminable interest property (QTIP) trust
 - 6) Pour-over trust
 - 7) §2503(b) trust
 - 8) §2503(c) trust
78. Qualified interest trusts
- A. Grantor retained annuity trusts (GRATs)
 - B. Grantor retained unitrusts (GRUTs)
 - C. Qualified personal residence trusts (QPRTs or House-GRITs)
 - D. Valuation of qualified interests
79. Charitable transfers
- A. Outright gifts
 - B. Charitable remainder trusts
 - 1) Unitrusts (CRUTs)
 - 2) Annuity trusts (CRATs)
 - C. Charitable lead trusts
 - 1) Unitrusts (CLUTs)
 - 2) Annuity trusts (CLATs)
 - D. Charitable gift annuities
 - E. Pooled income funds
 - F. Private foundations
 - G. Donor advised funds
 - H. Estate and gift taxation
80. Use of life insurance in estate planning
- A. Incidents of ownership
 - B. Ownership and beneficiary considerations
 - C. Irrevocable life insurance trust (ILIT)
 - D. Estate and gift taxation
81. Valuation issues
- A. Estate freezes
 - 1) Corporate and partnership recapitalizations (§2701)
 - 2) Transfers in trust
 - B. Valuation discounts for business interests
 - 1) Minority discounts
 - 2) Marketability discounts
 - 3) Blockage discounts
 - 4) Key person discounts
 - C. Valuation techniques and the federal gross estate
82. Marital deduction
- A. Requirements
 - B. Qualifying transfers
 - C. Terminable interest rule and exceptions
 - D. Qualified domestic trust (QDOT)
83. Deferral and minimization of estate taxes
- A. Exclusion of property from the gross estate
 - B. Lifetime gifting strategies
 - C. Marital deduction and bypass trust planning
 - D. Inter-vivos and testamentary charitable gifts
84. Intra-family and other business transfer techniques
- C. Trust beneficiaries: income and remainder
 - D. Rule against perpetuities
 - E. Estate and gift taxation

- A. Characteristics
 - B. Techniques
 - 1) Buy-sell agreement
 - 2) Installment note
 - 3) Self-canceling installment note (SCIN)
 - 4) Private annuity
 - 5) Transfers in trust
 - 6) Intra-family loan
 - 7) Bargain sale
 - 8) Gift or sale leaseback
 - 9) Intentionally defective grantor trust
 - 10) Family limited partnership (FLP) or limited liability company (LLC)
 - C. Federal income, gift, estate, and generation-skipping transfer tax implications
85. Generation-skipping transfer tax (GSTT)
- A. Identify transfers subject to the GSTT
 - 1) Direct skips
 - 2) Taxable distributions
 - 3) Taxable terminations
 - B. Exemptions and exclusions from the GSTT
 - 1) The GSTT exemption
 - 2) Qualifying annual exclusion gifts and direct transfers
86. Fiduciaries
- A. Types of fiduciaries
 - 1) Executor/Personal representative
 - 2) Trustee
 - 3) Guardian
 - B. Duties of fiduciaries
 - C. Breach of fiduciary duties
87. Income in respect of a decedent (IRD)
- A. Assets qualifying as IRD
 - B. Calculation for IRD deduction
 - C. Income tax treatment
88. Postmortem estate planning techniques
- A. Alternate valuation date
 - B. Qualified disclaimer
 - C. Deferral of estate tax (§6166)
 - D. Corporate stock redemption (§303)
 - E. Special use valuation (§2032A)
89. Estate planning for non-traditional relationships
- A. Children of another relationship
 - B. Cohabitation
 - C. Adoption
 - D. Same-sex relationships

ADDENDUM

The following topics are an addendum to the Topic List for the CFP® Certification Examination. Although individuals taking the CFP® Certification Examination will not be tested directly over these topics, CFP Board-Registered Programs are strongly encouraged to teach them in their curricula. Continuing education (CE) programs and materials that address these topics will be eligible for CFP Board CE credit.

- I. Client and planner attitudes, values, biases and behavioral characteristics and the impact on financial planning
 - A. Cultural
 - B. Family (e.g. biological; non-traditional)
 - C. Emotional
 - D. Life cycle and age
 - E. Client's level of knowledge, experience, and expertise
 - F. Risk tolerance
 - G. Values-driven planning
- 2. Principles of communication and counseling
 - A. Types of structured communication
 - 1) Interviewing
 - 2) Counseling
 - 3) Advising
 - B. Essentials in financial counseling
 - 1) Establishing structure
 - 2) Creating rapport
 - 3) Recognizing resistance
 - C. Characteristics of effective counselors
 - 1) Unconditional positive regard
 - 2) Accurate empathy
 - 3) Genuineness and self-awareness
 - D. Nonverbal behaviors
 - 1) Body positions, movements, and gestures
 - 2) Facial expressions and eye contact
 - 3) Voice tone and pitch
 - 4) Interpreting the meaning of nonverbal behaviors
 - E. Attending and listening skills
 - 1) Physical attending
 - 2) Active listening
 - 3) Responding during active listening; leading responses
 - F. Effective use of questions
 - 1) Appropriate types of questions
 - 2) Ineffective and counterproductive questioning techniques

PROVIDED FORMULAS

The following formulas are provided with the exam booklets when taking the CFP® Certification Examination:

$$V = \frac{D_1}{r - g}$$

$$r = \frac{D_1}{P} + g$$

$$COV_{ij} = \rho_{ij} \sigma_i \sigma_j$$

$$\sigma_p = \sqrt{W_i^2 \sigma_i^2 + W_j^2 \sigma_j^2 + 2W_i W_j COV_{ij}}$$

$$\beta_i = \frac{COV_{im}}{\sigma_m^2} = \frac{\rho_{im} \sigma_i}{\sigma_m}$$

$$\sigma_r = \sqrt{\frac{\sum_{t=1}^n (r_t - \bar{r})^2}{n}}$$

$$S_r = \sqrt{\frac{\sum_{t=1}^n (r_t - \bar{r})^2}{n-1}}$$

$$CV = \frac{Par}{CP} \times P_s$$

$$r_i = r_f + (r_m - r_f) \beta_i$$

$$r_p = r_f + \sigma_p \left(\frac{r_m - r_f}{\sigma_m} \right)$$

$$S_p = \frac{\bar{r}_p - \bar{r}_f}{\sigma_p}$$

$$\alpha_p = \bar{r}_p - \left[\bar{r}_f + (\bar{r}_m - \bar{r}_f) \beta_p \right]$$

$$T_p = \frac{\bar{r}_p - \bar{r}_f}{\beta_p}$$

$$D = \frac{\sum_{t=1}^n \frac{c_t(t)}{(1+i)^t}}{\sum_{t=1}^n \frac{c_t}{(1+i)^t}}$$

$$D = \frac{1+y}{y} - \frac{(1+y) + t(c-y)}{c \left[(1+y)^t - 1 \right] + y}$$

$$\frac{\Delta P}{P} = -D \left[\frac{\Delta y}{1+y} \right]$$

$$IR = \frac{R_P - R_B}{\sigma_A}$$

Experience Requirement

After you receive confirmation that you have passed the CFP® Certification Examination, you will receive instructions for providing verification that you hold a qualified bachelor's degree (or higher) and for reporting your work experience. To expedite CFP Board's processing of these requirements, please send the appropriate documentation for both of these requirements in the return envelope provided with your successful exam results.

BACHELOR'S DEGREE REQUIREMENT

A bachelor's degree (or higher), or its equivalent,¹ in any discipline, from an accredited college or university² is required to attain CFP® certification. The bachelor's degree requirement is a condition of initial certification; it is not a requirement to be eligible to take the CFP® Certification Examination.

After you pass the CFP® Certification Examination, you will be required to provide evidence (official transcript from the degree-granting institution) that you hold a qualified bachelor's degree or higher degree. Please send your official transcript to CFP Board along with your completed Work Experience Reporting Form in the return envelope provided with your successful exam results.

You have five years from the date you pass the CFP® Certification Examination to satisfy the bachelor's degree and work experience requirements. If you have not reported to CFP Board your attainment of an acceptable bachelor's degree or higher degree within this time frame, your candidacy for CFP® certification may be terminated. A one-time, three-year extension may be granted on a case-by-case basis. Requests for an extension should be sent to CFP Board by e-mail to initialcert@CFPBoard.org or by fax to 202-379-2299.

WORK EXPERIENCE

Because the CFP® certification indicates to the public your ability to provide financial planning unsupervised, CFP Board requires you to have some experience in the personal financial planning process. However, CFP Board recognizes the variety of situations and circumstances in which people participate in the financial planning process and has developed a work experience requirement to account for this.

After you pass the CFP® Certification Examination, you may report your completed work experience to CFP Board using a Work Experience Reporting Form, available from CFP Board's Web site at www.CFP.net/become. Please send your completed Work Experience Reporting Form to CFP Board along with your official transcript verifying your attainment of a qualified bachelor's degree in the return envelope provided with your successful exam results.

You have five years from the date you pass the CFP® Certification Examination to satisfy the bachelor's degree and work experience requirements. If you have not reported to CFP Board your attainment of an acceptable bachelor's degree or higher degree within this time frame, your candidacy for CFP® certification may be terminated. A one-time, three-year extension may be granted on a case-by-case basis. Requests for an extension should be sent to CFP Board by e-mail to initialcert@CFPBoard.org or by fax to 202-379-2299.

1. Establishing and Defining the Relationship with the Client

This includes explaining the issues and concepts related to the personal financial planning process. You must specify the services you or your firm will provide and clarify the client's and your responsibilities.

2. Gathering Client Data Including Goals

Data gathering includes interviewing or questioning the client about various aspects of his or her financial resources, obligations and expectations. During this process, you will need to determine your client's goals, needs and priorities; assess your client's values and attitudes; and determine the client's time horizons and risk tolerance. In addition, you will collect applicable client records and documents.

¹ International degrees may be substituted for a U.S. undergraduate degree if they receive equivalency from a third-party evaluation agency which is a member of National Association of Credential Evaluation Services (NACES) www.NACES.org. Applicants should request a document-by-document evaluation.

² An "accredited college or university" is one that has been accredited by an accreditation body recognized by the U.S. Department of Education. To confirm a school's accreditation please visit the Department of Education's Web site (ope.ed.gov/accreditation/Search.aspx).

3. Analyzing and Evaluating the Client's Current Financial Status

This process involves analyzing and evaluating client data such as current cash flow needs, risk management, investments, taxes, retirement, employee benefits, estate planning and/or special needs.

4. Developing and Presenting Financial Planning Recommendations and/or Alternatives

Financial planning recommendations should meet the goals and objectives of the client, and reflect his or her values, situation and risk tolerance. This process includes presenting and reviewing the recommendations with the client, working with the client to ensure that the plan meets his or her goals and expectations, and revising the recommendations as necessary.

5. Implementing the Financial Planning Recommendations

This is the process of helping the client put the financial planning recommendations into action. This could include coordinating with other professionals, such as accountants, attorneys, real estate agents, investment advisers, stock brokers and insurance agents.

6. Monitoring the Financial Planning Recommendations

Areas to be monitored or reviewed include the soundness of the recommendations and the client's progress. This process also involves discussing with the client any changes in his or her personal circumstances, evaluating changing tax laws, and making recommendations based on new or changing conditions.

Experience Definition and Standards

Your experience must comply with the following standards:

- Three years full-time, or the equivalent part-time (2,000 hours equals one year full-time).
- Six months of experience must have been gained within 12 months of reporting your work experience.
- Experience may be gained up to 10 years before or up to five years after the exam date. The bachelor's degree and experience requirements must be fulfilled within five years of passing the CFP® Certification Examination. If these requirements are not completed within this time frame, your candidacy for CFP® certification may be terminated. A one-time, three-year extension may be granted on a case-by-case basis. Requests for an extension should be sent to CFP Board by e-mail to initialcert@CFPBoard.org or by fax to 202-379-2299.

Internships/Residency Programs

Financial planning-related internships completed at a CFP Board-Registered Program are eligible for credit toward the experience requirement at the rate of one month of experience for each college semester credit. Residency programs completed through the Financial Planning Association (FPA) are eligible for credit toward the experience requirement at the rate of three months of experience credit per residency program. Credit will be granted for internships and/or residency programs completed within 10 years before and five years after the successful completion of the CFP® Certification Examination.

Verification of Experience

After you pass the CFP® Certification Examination, you will receive instructions for reporting your experience on the Work Experience Reporting Form available on CFP Board's Web site at www.CFP.net/become. Please note that it may take up to 20 business days from the date CFP Board receives the form for the information to be entered into your records and processed. You will receive an e-mail notification from CFP Board when the form has been processed and/or if CFP Board has questions related to your form.

Work Experience information provided to CFP Board is subject to random audit. Erroneous information could jeopardize your authorization to use the CFP® marks.

While the CFP® certification requirements may be changed from time to time, you will be expected to meet the requirements that are in place at the time of your most recent application for the CFP® Certification Examination. Therefore, CFP Board cannot confirm the suitability of your work experience before you pass the exam.

PRE-CERTIFICATION CONTINUING EDUCATION

If you do not complete the CFP® certification process within 12 months of passing the CFP® Certification Examination, you begin to accrue a continuing education (CE) requirement at a rate of 15 CE hours per year (1.25 CE hours per month.) This accrual begins 13 months after passing the exam and continues until the work experience and bachelor's degree requirements have been fulfilled. If you have begun to accrue a pre-certification CE requirement, you may report CE hours online by logging in to your CFP Board account at www.CFP.net/login.



Visit www.CFP.net/become/work_prece.asp for a Q&A section on the pre-certification CE requirement.

WORK EXPERIENCE FREQUENTLY ASKED QUESTIONS

Q 1. WHEN DO I REPORT MY WORK EXPERIENCE TO CFP BOARD?

A After you pass the CFP® Certification Examination, you will receive instructions for reporting your experience on the Work Experience Reporting Form available on CFP Board's Web site at www.CFP.net/become. Please note that it may take up to 20 business days from the date CFP Board receives the form for the information to be entered into your records and processed. You will receive an e-mail notification from CFP Board when the form has been processed and/or if CFP Board has questions related to your form.

Q 2. HOW IS PART-TIME EMPLOYMENT CREDITED TOWARD THE REQUIREMENT?

A The number of part-time hours will be converted into a full-time equivalent and applied to the overall balance of the requirement. 2,000 hours equals one year of full-time experience.

Q 3. IF I WORK FULL-TIME IN A FINANCIAL PLANNING RELATED POSITION AND ALSO WORK PART-TIME, CAN I ACCELERATE THE COMPLETION OF THE REQUIREMENT?

A No. Concurrent part- and full-time financial planning employment will not accelerate completion of the requirement.

Q 4. IF I WORK MORE THAN 2,000 HOURS PER YEAR, CAN I ACCELERATE THE COMPLETION OF THE REQUIREMENT?

A No. Additional credit for full-time employment will not be granted for hours in excess of 40 hours per week.

Q 5. HOW IS A PORTION OF A JOB CREDITED TOWARDS THE REQUIREMENT?

A Portions of a job may be credited towards this requirement on an hourly basis just like part-time employment. As an example, the majority of your job (30 hours per week) is spent working as a home office representative processing paperwork. However, ten hours a week are spent consulting with individual clients. The ten hours a week can be accrued and credited towards the requirement.

Q 6. WHAT IF I DO NOT HAVE ANY RELEVANT EXPERIENCE? CAN I STILL SIT FOR THE CFP® CERTIFICATION EXAMINATION?

A Yes. The required years of work experience do not need to be completed prior to the exam. Individuals have up to five years from the time they pass the exam to complete the experience requirement if necessary.

Q 7. IF I AM MAKING A CAREER CHANGE, HOW DO I GO ABOUT OBTAINING APPROPRIATE EXPERIENCE?

A Qualifying work experience may be earned through many different types of practices and firms. Applicants for CFP® certification often choose to establish a private practice, either by themselves or in conjunction with other planners. Some planners work for banks, credit unions, insurance companies, accounting or law firms, credit counseling organizations and brokerage firms. Or, they may choose a career in academia, teaching personal financial planning to other interested students.

Q 8. WHAT CAN I CALL MYSELF ONCE I HAVE PASSED THE CFP® CERTIFICATION EXAMINATION BUT AM STILL COMPLETING MY EXPERIENCE REQUIREMENT?

A Only those individuals who have fully satisfied CFP Board's requirements are authorized to use the CFP® certification marks. Until that time, you can only use the CFP® marks to refer to the certification process. For example, you may say that you are a "candidate for CFP® certification" or "working toward obtaining CFP® certification." Use of the term "CFP® candidate" is an improper use of the CFP® marks and is prohibited.

Ethics Requirement

The final component of the initial CFP® certification process is the ethics requirement. CFP® certification requires you to agree to adhere to CFP Board's *Code of Ethics and Professional Responsibility, Rules of Conduct and Financial Planning Practice Standards* and to acknowledge CFP Board's right to enforce them through its *Disciplinary Rules and Procedures*. By signing the CFP® Certification Application, individuals agree to be bound by CFP Board's *Code of Ethics, Rules of Conduct and Practice Standards*. This demonstrates to the public that you have agreed to provide personal financial planning in the client's best interest and to act in accordance with the highest ethical and professional standards for the practice of financial planning.

Before being authorized to use the CFP® certification marks, and each time you renew your certification, you must disclose whether you have ever been involved in any criminal, civil, self-regulatory organization or governmental agency inquiry, investigation or proceeding. You must also acknowledge the right of CFP Board to enforce its *Code of Ethics, Rules of Conduct and Practice Standards* through its *Disciplinary Rules and Procedures*.

Please be aware that, if you disclose matters on your CFP® Certification Application, or if CFP Board discovers that you have been involved in matters that may or will bar you from obtaining certification, pursuant to CFP Board's *Candidate Fitness Standards*, or that may indicate a violation of the *Code of Ethics, Rules of Conduct and Practice Standards*, your certification may be delayed pending CFP Board's review of the matters. Additionally, if the matters involve serious misconduct, including, but not limited to the matters presumed to bar certification outlined in the *Candidate Fitness Standards*, CFP Board reserves the right to permanently deny you the right to obtain the CFP® certification. All such ethics reviews will be conducted in accordance with CFP Board's *Disciplinary Rules and Procedures*.

CANDIDATE FITNESS STANDARDS

CFP Board has developed character and fitness standards for candidates for certification to ensure an individual's conduct does not reflect adversely on his or her fitness as a candidate for CFP® certification, or upon the profession or the CFP® certification marks. CFP Board determined that such standards would also benefit individuals who are interested in attaining CFP® certification, as many candidates have indicated that if they had known that their prior conduct would bar or delay their certification, they would not have sat for the CFP® Certification Examination. These *Candidate Fitness Standards* became effective on January 1, 2007.

The following conduct is unacceptable and will always bar an individual from becoming certified:

- Felony conviction for theft, embezzlement or other financially-based crimes.
- Felony conviction for tax fraud or other tax-related crimes.
- Revocation of a financial (e.g. registered securities representative, broker/dealer, insurance, accountant, investment advisor, financial planner) professional license, unless the revocation is administrative in nature, i.e. the result of the individual determining not to renew the license by not paying the required fees.
- Felony conviction for any degree of murder or rape.
- Felony conviction for any other violent crime within the last five years.
- Two or more personal or business bankruptcies.

The following conduct is presumed to be unacceptable and will bar an individual from becoming certified unless the individual petitions the Disciplinary and Ethics Commission for reconsideration:

- One personal or business bankruptcy filed within the last five years.
- More than one judgment lien.
- Revocation or suspension of a non-financial professional (e.g. real estate, attorney) license, unless the revocation is administrative in nature, i.e. the result of the individual determining not to renew the license by not paying the required fees.

- Suspension of a financial professional (e.g. registered securities representative, broker/dealer, insurance, accountant, investment advisor, financial planner) license, unless the suspension is administrative in nature, i.e. the result of the individual determining not to renew the license by not paying the required fees.
- Felony conviction for non-violent crimes (including perjury) within the last five years.
- Felony conviction for violent crimes other than murder or rape that occurred more than five years ago.

Other matters that very rarely result in the delay or denial of certification will continue to be reviewed by staff and the Disciplinary and Ethics Commission under the current procedures, after the candidate has successfully completed the education, examination and experience requirements for certification. These include customer complaints, arbitrations and other civil proceedings, felony convictions for non-violent crimes that occurred more than five years ago misdemeanor convictions, and employer reviews and terminations. CFP Board will continue to require candidates for CFP® certification to disclose certain matters on the ethics portion of the Initial Certification Application.

Petitions for Reconsideration

Individuals who have a transgression that falls under the “presumption” list must petition the Disciplinary and Ethics Commission for reconsideration and a determination whether their conduct will bar certification. The basic process for these reviews will be:

1. The individual will submit a written petition for reconsideration to Professional Review staff and sign a form agreeing to CFP Board's jurisdiction to consider the matter.
2. Staff will review the request to ensure the transgression falls within the “presumption” list.
3. If the transgression does not fall within the “presumption” list, i.e. falls in the “always bar” list, staff will so notify the individual.
4. If the transgression falls within the “presumption” list, staff will request all relevant documentation from the individual. A fee will be charged all candidates submitting a reconsideration request.
5. All of the relevant information will be provided to the Disciplinary and Ethics Commission for a determination.

The Disciplinary and Ethics Commission may make one of the following decisions regarding a petition for reconsideration:

- Grant the petition after determining the conduct does not reflect adversely on the individual's fitness as a candidate for CFP® certification, or upon the profession or the CFP® certification marks, and certification should be permitted; or
- Deny the petition after determining the conduct does reflect adversely on the individual's fitness as a candidate for CFP® certification, or upon the profession or the CFP® certification marks, and certification should be barred.

The Disciplinary and Ethics Commission's decision regarding a petition for reconsideration is final and may not be appealed, unless the relevant professional revocation or suspension is vacated or the relevant felony conviction is overturned, at which time the individual may submit a new petition.

VERIFICATION OF DATA

CFP Board may verify your employment record, qualifications and disciplinary history through FINRA's Central Registration Depository (CRD). All disciplinary information obtained will be reviewed by CFP Board. The length of the review process varies depending on the circumstances being investigated, and may take anywhere from several weeks to one year. In general, you will not be authorized to use the CFP® marks during CFP Board's review process.


If you have questions about the effect of any of your past or pending disciplinary actions, or your authorization to use the CFP® marks, contact CFP Board at 800-487-1497 or initialcert@CFPBoard.org. Because of changing codes or regu-

lations and the fact that every situation contains unique variables, CFP Board cannot provide you with an advance judgment of your situation. However, CFP Board's *Candidate Fitness Standards* define certain situations presumed to bar certification, and additional guidance can be obtained through historical case studies of disciplinary actions taken by CFP Board against those it has certified, available on CFP Board's Web site at www.CFP.net/ACH.



Go to www.CFP.net/certificants to review CFP Board's *Code of Ethics and Professional Responsibility, Rules of Conduct and Financial Planning Practice Standards*.

Authorization to Use the CFP® Marks

The marks CFP®, CERTIFIED FINANCIAL PLANNER™ and  are owned by CFP Board in the U.S. and are protected by trademark law. Only those individuals who have fully satisfied CFP Board's requirements are authorized to use the CFP® certification marks. CFP Board carefully monitors usage of the marks to ensure their integrity, and unauthorized use of the marks is viewed as a serious matter. For example, it is incorrect to use the term "CFP® candidate." Up until the point of achieving CFP® certification, individuals who have applied for the CFP® Certification Examination can say they are "working towards obtaining CFP® certification" or that they are a "candidate for CFP® certification." Remember, if you use the CFP® marks prematurely, or in some other prohibited manner, you could jeopardize your ultimate right to use them.

CFP® CERTIFICATION APPLICATION

When you have completed the education, examination, bachelor's degree and work experience requirements, you may complete the remaining certification requirements online at www.CFP.net/login. This includes a CFP® Certification Application, a non-refundable application fee, and a non-refundable certification fee for your initial certification period. These requirements must be completed within six months of fulfilling the work experience requirement. The fees must be paid and the application completed and reviewed by CFP Board before any certification can be issued.

INITIAL CERTIFICATION PERIOD AND CONTINUING EDUCATION (CE) REPORTING

An initial certification cycle will be defined for each individual after completing the education, examination, bachelor's degree and work experience requirements. CFP Board establishes this initial certification cycle using the date of initial CFP® certification to the end of your birth month in an odd or even year, based on your birth date. The initial certification fee and the amount of CE credits due at the end of this initial cycle will be prorated based on \$360 and 30 hours, respectively, every two years. A non-refundable application fee of \$100 and this initial certification fee (ranging from \$90-\$450) must be paid when you complete the CFP® Certification Application.

After this prorated cycle is completed, you will begin reporting CE and completing the renewal requirements on a cyclical two-year renewal cycle. (See the "Certification Renewal" section on page 5.)

INTERNATIONAL RECIPROCITY

Seeking Dual Certification in the U.S.

If you are a resident of one of the territories affiliated with Financial Planning Standards Board Ltd. (FPSB) and are currently authorized to use the CFP marks in that territory, you can apply for CFP® certification in the United States by:

1. Providing proof of current CFP certification status from the FPSB affiliate in your territory,
2. Passing the first four-hour session of CFP Board's CFP® Certification Examination, and
3. Fulfilling all remaining initial certification requirements in place at the time you apply for CFP Board's CFP® Certification Examination.

Once CFP Board grants you the right to use the CFP® marks in the U.S., you will be subject to CFP Board's renewal requirements. If you wish to retain dual certification in both the U.S. and your resident territory, you will be required to complete the renewal requirements of both CFP Board and your FPSB affiliate.

Policy Exception Requests

CFP Board enforces the policies and requirements for CFP® certification in a consistent manner. Exceptions to established policies and requirements are granted in only the rarest of circumstances. CFP® certificants and applicants for CFP® certification who wish to request exceptions to specific policies or requirements of CFP Board may complete and submit a Policy Exception Request Form, available on CFP Board's Web site at www.CFP.net/become. The request will be reviewed by CFP Board staff, and a written determination letter sent to the requestor by certified mail, postmarked no later than thirty days from the date the request is received at CFP Board. Individuals unhappy with a decision stated in a determination letter may submit a written appeal to CFP Board's Policy Exception Committee. Written appeals must be received at CFP Board no later than thirty days from the requestor's receipt of the determination letter. The Policy Exception Committee meets four times each year (once per quarter). The decision of the Policy Exception Committee is final.

CFP Board
Attn: Policy Exception Committee
1425 K Street, NW, Suite 500
Washington, DC 20005

Terms and Conditions of CFP® Certification

I COVENANT AND AGREE THAT:

- a. **Authorization.** Upon acceptance of my Certification or Renewal Application (Application) by CFP Board and subject to these terms and conditions of certification (Terms), CFP Board grants to me a limited, personal, non-transferable, non-sub licensable, royalty-free, non-exclusive, revocable license to use the Certification Marks (as defined below) solely in connection with the promotion and conduct of the offering of services I perform in relation to my certification in the United States. No other rights are granted except for those explicitly granted herein.
- b. **Term of Use.** Permission to use CFP Board's Certification Marks, including specifically CFP®, CERTIFIED FINANCIAL PLANNER™ and CFP® exists solely for the certification period, as defined by CFP Board. At the end of such certification period, if the certification is not renewed, the certification expires; all rights to use the Certification Marks terminate; and I will immediately cease use of the Certification Marks. CFP Board may terminate any rights I have in the use of the Certification Marks if I fail to maintain current certification status.
- c. **Restrictions on Use.** Without limiting the other terms and restrictions set forth in these Terms, unless otherwise approved by CFP Board in writing, I will not, directly or indirectly: (i) use the Certification Marks in conjunction with the promotion and/or provision of any services, or in any other way, outside the United States unless I have met cross-border requirements, (ii) use the Certification Marks in conjunction with the sale of any tangible goods, (iii) state or imply that CFP Board has made a determination on the merits or quality of any education, testing or review program with which I may be associated, (iv) certify individuals to use the Certification Marks, (v) use the Certification Marks in a manner that implies another individual or company is qualified to use the Certification Marks, or (vi) use the Certification Marks in violation of CFP Board's policies and procedures, which are incorporated herein by reference.
- d. **Quality Control.** The nature and quality of all advertising, promotional or other uses of the Certification Marks, and services associated therewith, will conform to the quality and standards specified by CFP Board (as modified from time to time) and will be in full compliance with CFP Board's *Standards of Professional Conduct* and all applicable laws and regulations. CFP Board has the exclusive right to monitor the manner in which I use the Certification Marks and the quality of services associated therewith. Such monitoring may, at the election of CFP Board, be done in accordance with the procedures outlined in CFP Board's *Standards of Professional Conduct*, including but not limited to, examination, investigation, inspection and formal hearings. CFP Board retains, at all times, the right to withdraw its approval of my use of the Certification Marks if the quality, accuracy or other characteristics of any of the services associated therewith ceases to be acceptable in accordance with certain standards defined by CFP Board. Notwithstanding, CFP Board has no right to control incidents of actual services provided or participate in the rendition thereof.
- e. **Protection of the Certification Marks.** CFP Board shall have the sole right to file applications to register, and to obtain registration for, the Certification Marks. I further agree to cooperate fully with CFP Board in filing such applications and obtaining such registrations, including providing CFP Board with specimens of use of the Certification Marks and executing any documents requested by CFP Board, or in protecting, enforcing and defending the Certification Marks. I will notify CFP Board in writing of any infringements, imitations, claims or other problems with respect to the Certification Marks which may arise or otherwise come to my attention. CFP Board shall have the sole right, but not the obligation, to take any action on account of any such infringement, imitation, claim or problem. I will not institute any suit nor take any other action on account of such infringements, imitations, claims or problems without the prior express written consent of CFP Board.
- f. **Ownership; Goodwill.** The right to use the marks of CFP Board is limited to those rights to use the Certification Marks and does not extend to any other marks of CFP Board. Any goodwill attaching to the trademarks of CFP Board as a result of my use of the Certification Marks will inure to the benefit of CFP Board. I will conduct my business in a way that does not adversely affect CFP Board's reputation or goodwill. I

will only display or use the Certification Marks as permitted in these Terms and the *Guide to Use of the CFP® Certification Marks* (as updated from time to time). The right to use the Certification Marks does not grant right, title or interest in or to any trademark, service mark, logo or trade name of CFP Board. I further agree not to: (i) challenge CFP Board as the sole, absolute or exclusive owner of all right, title and interest in and to the Certification Marks and the goodwill associated therewith, (ii) challenge the validity, control or use of any mark owned by CFP Board, (iii) register, use, adopt or promote any mark that is confusingly similar to any mark owned by CFP Board, (iv) take or encourage any action which would impair the rights of CFP Board in and to the Certification Marks or any goodwill associated therewith, or (v) infringe the Certification Marks or any other marks owned by CFP Board.

- g. **Disclaimer of Warranty.** THE USE OF THE CERTIFICATION MARKS ARE PROVIDED ON AN “AS IS” BASIS. CFP BOARD DISCLAIMS ANY AND ALL EXPRESS OR IMPLIED CONDITIONS, REPRESENTATIONS AND WARRANTIES, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, COURSE OF DEALING, USAGE OF TRADE, EMPLOYABILITY OR NON-INFRINGEMENT, EXCEPT TO THE EXTENT THESE DISCLAIMERS ARE HELD TO BE LEGALLY INVALID. CFP BOARD HAS NO DUTY OR OBLIGATION TO REGISTER, RENEW OR OTHERWISE MAINTAIN ANY REGISTRATION FOR THE CERTIFICATION MARKS.
- h. **Compliance with Rules and Policies.** I have read, understand and will comply with all rules and policies contained in CFP Board’s *Standards of Professional Conduct*, which is incorporated herein by reference, as it presently exists and as it may be amended from time to time.
- i. **Relinquishment of Certification.** I may voluntarily relinquish my certification through a formal written notice submitted to CFP Board at any time, provided such relinquishment shall not take effect until: (i) 30 days after receipt thereof by CFP Board, (ii) all indebtedness due CFP Board is paid in full, and (iii) any complaint or action pending under CFP Board’s *Standards of Professional Conduct* is resolved. CFP Board, however, may in its discretion declare a relinquishment effective at any time.
- j. **Retention of Jurisdiction.** Notwithstanding any termination or relinquishment of my right to use the Certification Marks, I shall continue to be subject to the filing of a complaint under CFP Board’s *Standards of Professional Conduct* based upon acts or omissions commenced prior to the effective date of termination or relinquishment, provided that any such complaint shall be filed within five (5) years after the effective date of termination or relinquishment.
- k. **Revocation of Right to Use.** CFP Board has the absolute and unrestricted right to revoke, at its sole discretion, any rights I have to use the Certification Marks, if CFP Board, in its sole discretion, finds that I have failed to comply with CFP Board’s *Standards of Professional Conduct* or these Terms. In addition, if CFP Board, in its sole discretion, determines that I have misused the Certification Marks, I further understand and agree that such action may cause irreparable harm and I will immediately stop using the Certification Marks or change the manner in which I use them, whichever CFP Board requests.
- l. **Indemnification.** Neither CFP Board nor its directors, officers, employees and others acting on its behalf shall be liable to me for any actions taken or omitted in an official capacity or in the scope of employment, except to the extent that such actions or omissions constitute willful misconduct or gross negligence, and I hereby release CFP Board and the persons identified above from any liability for any such actions or omissions. I further covenant and agree to defend, indemnify and hold harmless CFP Board and its directors, officers, employees and agents from and against any and all claims, demands, judgments, awards and expenses related thereto (including court costs and reasonable fees of attorneys and other professionals) brought or threatened by any third parties, including my clients, arising out of: (i) any breach by me of my Application or these Terms, (ii) any failure by me or my authorized agents to comply with applicable laws, (iii) the services provided by me, (iv) any unauthorized representation, warranty, agreement or the like, express or implied, made by me or my authorized agents to or with any third party with respect to any acts or omissions (including statements, representations or warranties not authorized by CFP Board), or (v) acts or omissions taken by me in connection with the use of the Certification Marks. Notwithstanding the above, CFP Board expressly

reserves the right to retain separate counsel to participate in the defense or settlement of any such claims.

- m. **Limitation of Liability.** TO THE EXTENT NOT PROHIBITED BY LAW, IN NO EVENT WILL CFP BOARD BE LIABLE FOR ANY DIRECT, INDIRECT, SPECIAL, CONSEQUENTIAL, INCIDENTAL OR PUNITIVE DAMAGES, INCLUDING WITHOUT LIMITATION ATTORNEY'S FEES, LOSS OF BUSINESS, REVENUE, PROFITS OR OTHER ECONOMIC ADVANTAGE, HOWEVER CAUSED, REGARDLESS OF THE THEORY OF LIABILITY, ARISING OUT OF OR RELATED TO THE USE OR THE INABILITY TO USE ANY OF CFP BOARD'S MARKS, INCLUDING WITHOUT LIMITATION THE IMPLEMENTATION OF THE FORMS OF DISCIPLINE, EVEN IF CFP BOARD HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. IN NO EVENT WILL CFP BOARD'S LIABILITY UNDER THIS DECLARATION AND AGREEMENT, WHETHER IN CONTRACT, TORT (INCLUDING NEGLIGENCE AND DEFAMATION) OR OTHERWISE, EXCEED THE AMOUNT I PAID IN APPLICATION FEES. LIABILITIES SHALL BE LIMITED AND EXCLUDED, EVEN IF THE REMEDY FAILS OF ITS ESSENTIAL PURPOSE.
- n. **Miscellaneous.**
1. **Integration.** My Certification or Renewal Application, these Terms, and the documents incorporated herein by reference constitute the complete agreement and supersede all prior or contemporaneous oral or written representations and warranties. CFP Board may modify these Terms upon notification to me. No modification by me to these Terms shall be binding upon CFP Board unless in writing and signed by CFP Board.
 2. **Assignment.** I will not assign or transfer any of my rights or obligations under these Terms. Any assignment or delegation by me of these Terms or any of my rights or obligations hereunder shall be null and void. CFP Board may assign its rights herein, without my prior consent.
 3. **Relationship.** My relationship with CFP Board is that of a certificant granted the right to use the certification marks of a certifying body and in no way does the relationship constitute an independent contractor, partnership, franchise, joint venture, agency or employment relationship.
 4. **Interpretation.** These Terms, which I understand are binding upon me in consideration of CFP Board processing my Application, shall be interpreted in such a manner as to aid in effectuating the purposes and business of CFP Board. No third party private right of action shall be permitted against CFP Board for acts or omissions taken by CFP Board in the furtherance of its purposes and business or in connection with these Terms. Failure of CFP Board to insist on strict performance of the provisions contained herein does not prevent CFP Board from later enforcing its rights under these Terms.
 5. **Enforcement; Survival.** If I do not stop using the Certification Marks immediately upon revocation, relinquishment or termination, or violate the provisions of these Terms, such actions shall be considered exceptional and I will pay any expenses, including, but not limited to, attorney's fees, which CFP Board may incur while enforcing this provision. Upon termination, revocation or relinquishment of the right to use the Certification Marks, my obligations under paragraphs e, f, g, i, j, k, l, m and n of these Terms will remain in effect.
 6. **Choice of Law; Forum.** These Terms and any action relating thereto shall be governed by and construed and enforced in accordance with the District of Columbia and controlling U.S. federal law. No choice of law rules of any jurisdiction will apply. I will not bring any action arising from or relating to these Terms except in a court of appropriate subject matter jurisdiction in the District of Columbia, and I expressly consent to personal jurisdiction and proper venue by and in such court.
 7. **Headings; Severability.** The headings of sections and paragraphs herein are for convenience of reference only and are without substantive significance. In the event that any provision of these Terms shall for any reason be held invalid, illegal or unenforceable in any respect, such validity, illegality or unenforceability shall not affect any other provision and these Terms shall be interpreted and construed as if such term or provision, to the extent the same shall have been held to be invalid, illegal or unenforceable, had never been contained herein.

Take your next step toward
CFP® Certification
at www.CFP.net/become



CERTIFIED FINANCIAL PLANNER

BOARD OF STANDARDS, INC.

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W: www.CFP.net



CERTIFIED FINANCIAL PLANNER™

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Certified Financial Planner Board of Standards Inc. owns these certification marks in the U.S., which it awards to individuals who successfully complete CFP Board's initial and ongoing certification requirements.