

# F A Q S

## Frequently Asked Questions



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## 1 What is CFP<sup>CM</sup> certification?

CERTIFIED FINANCIAL PLANNER<sup>CM</sup> certification or CFP<sup>CM</sup> certification is an international program in the field of Financial Planning, wealth management and financial advisory services.

Financial Planning is one of the fastest growing careers across the world. Being one of the fastest growing economies, India currently has around 5 crore families with investible surplus. Assuming one financial planner is handling approx. 1,000 clients we need at least 50,000 Certified Financial Planners in India immediately. This is set to grow at a faster rate. CFP<sup>CM</sup> certification was rated as Gold Standard in Financial Planning by the *WALL STREET JOURNAL* in the year 2006.

CERTIFIED FINANCIAL PLANNER<sup>CM</sup> certification or CFP<sup>CM</sup> Certification is a mark of excellence granted to individuals who meet the stringent standards of education, examination, experience and ethics. It is the most prestigious and internationally accepted Financial Planning certification recognized and respected by the global financial community. CFP<sup>CM</sup> Certification is the highest level of certification in the field of Financial Planning worldwide with over 1,18,245 CFP<sup>CM</sup> certificants, who are widely respected by consumers, professionals and industry.

## 2 Who should consider CFP<sup>CM</sup> certification?

CFP<sup>CM</sup> certification is for financial services professionals, customer relationship officers, insurance agents, stock brokers, those looking to expand their careers in the financial services business, and graduates who want to be professionally and globally recognized.

## 3 What are the prospects of a career in Financial Planning?

Financial Planning is one of the fastest-growing professions across the world and Financial Planners are the most sought after professionals by a fast growing working population that earns well, and needs expert handling of their finances. The opportunities are aplenty with Banks, Financial Planning Outfits, Wealth Managers, Life Insurers, Accounting Firms, Stock brokers seeking professionals with such expertise. Financial Planners offer expert opinions on issues related to retirement planning, estate planning, tax planning, investment planning, insurance planning, financial management of small businesses and trusts, stock brokering, debt and risk analysis. Needless to say a career as a Financial Planner can prove both challenging and rewarding.

## 4 How is it like working as a Financial Planner?

Recognizing Financial Planning's occupational benefits, there are many surveys that indicate a career in Financial Planning as the top career choice worldwide. Most

Financial Planners enjoy relatively low stress, have a high earning potential and enjoy a high degree of workplace autonomy. The personal satisfaction element cannot be underestimated. Very often, independent Financial Planners find that people are just overwhelmed and need direction, so it's their job to listen, understand their situation and offer some options that will help them. It gives them satisfaction to help people do better, not just with their finances but with blending the financial side with the other sides of clients' lives so that they can achieve their goals.

## **5 What are the benefits of undergoing the CFP<sup>CM</sup> certification program and the CFP<sup>CM</sup> marks?**

- Enhanced career and employment opportunities in Financial Services Sector.
- Personal satisfaction in knowing you have earned the profession's highest standard and met the global benchmark.
- Satisfied clients who appreciate the comprehensive approach to Financial Planning and extend long-term relationships and referrals.
- Your expertise and credibility as a qualified professional is instantly communicated.
- More revenue streams by increasing your product and service offering to your clients.
- Enhanced Social Status by joining the league of professionals.
- Recognition in over 23 countries across the world.
- Opportunities to showcase your knowledge on Financial Planning & Advising through various media vehicles.

## **6 How are Financial Planners paid?**

Financial Planners may earn in any of the following three ways:

- 1) A Planner can be paid by a salary from the company for which the Planner works; by fees based on an hourly rate, a flat rate, or on a percentage of the assets and/or income.
- 2) By commissions paid by a third party from the products sold to clients to carry out the Financial Planning recommendations.
- 3) By a combination of fees and commissions whereby fees are charged for the amount of work done to develop Financial Planning recommendations and commissions are received from any product sold.

As the profession is in its nascent stage various models are being tried and tested by the Financial Planners in India. But surely over a period of time the clear trend is towards a fee-only model like other professions, i.e. medicine, law, accountancy, etc.

## **7 Who offers CFP<sup>CM</sup> certification in India?**

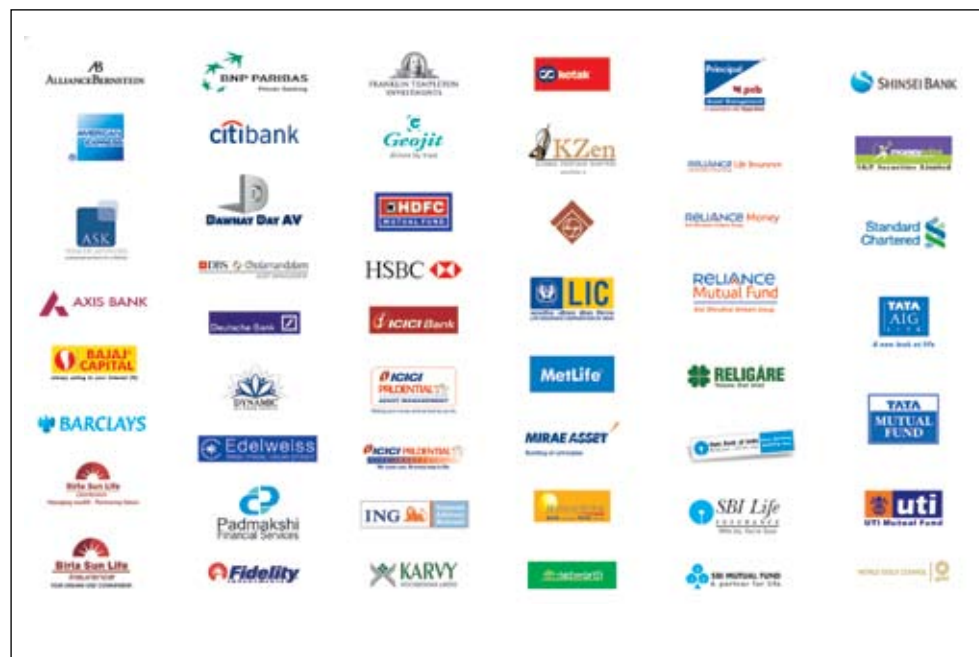
Financial Planning Standards Board India (FPSB India) offers the CERTIFIED

FINANCIAL PLANNER<sup>CM</sup> certification or CFP<sup>CM</sup> certification Program. FPSB India is the sole licensing body that awards CFP<sup>CM</sup> certification in India through an agreement with US based FPSB, Ltd. The mission of FPSB India is to help benefit the public by granting the CFP<sup>CM</sup> certification and upholding it as the recognized standard of excellence for Personal Financial Planning. CFP<sup>CM</sup> certification is awarded by affiliate organizations of FPSB, Ltd. in their respective countries of operation.

**Kindly note FPSB India’s authorized Education Providers are only training and administrative entities authorized by FPSB India and not the CFP<sup>CM</sup> certification awarding bodies. FPSB India reserves the rights of awarding and relinquishing CFP<sup>CM</sup> certification as per the certification policies.**

## 8 What is FPSB India?

Financial Planning Standards Board India (FPSB India) is a Public – Private Enterprise and a Professional Standards Setting body that proactively guides the development and promotion of standards for Financial Planning professionals to benefit the public in the country. FPSB India closely works with all the stakeholders’ viz. the Government, the Regulators, the Industries/Associations, the Corporations, the Media and the General Public to achieve its objectives. It is a Professional Certification Organization, part of leading Global Confederation established by prominent financial service corporations with an objective to professionalize the concept of Financial Planning in India. FPSB India is supported by 50 Financial Services Organizations in the country as its Charter Members.



## 9 Is CFP<sup>CM</sup> certification a Global certification?

Yes, currently CFP certification is offered and recognized in 23 countries including Australia, Austria, Brazil, Canada, China, Chinese Taipei, France, Germany, Hong Kong, Indonesia, Ireland, Japan, Malaysia, New Zealand, The Netherland, Republic of Korea, Singapore, South Africa, Switzerland, Thailand, United Kingdom and United States of America. FPSB, Ltd. enters into licensing and affiliation agreements with non-profit organizations (or their equivalent) around the world that allows the organizations to establish and operate the CFP certification program in a country or region. FPSB Affiliates who meet and maintain FPSB's affiliation criteria of high standards are authorized to administer the CFP certification program on behalf of FPSB in a country or region. FPSB India is one of the Affiliates of FPSB, Ltd. CFP certification undertaken in any of the affiliate country is recognized globally and governed by cross border policy usage.

### GLOBAL COUNT OF CFP CERTIFICANTS *(as in December 2008)*

Country/Region	No. of CFP Certificants
Australia	5,524
Austria	182
Brazil	294
Canada	17,230
China	3,414
Chinese Taipei	580
France	1,344
Germany	1,092
Hong Kong	3,389
India	505
Indonesia	327
Japan	15,802
Malaysia	2508
New Zealand	400
Republic of Korea	1,644
Singapore	537
South Africa	3,509
Switzerland	276
United Kingdom	900
<b>FPSB Council Total</b>	<b>59,457</b>
United States	58,830
<b>Global Total</b>	<b>1,18,287</b>

## 10 What is the cross border CFP<sup>CM</sup> marks use policy of FPSB?

To benefit the public, FPSB regulates how CFP professionals use FPSB's CFP or CERTIFIED FINANCIAL PLANNER marks outside the borders of the country or region in which they first received CFP certification.

### ***Incidental Use***

FPSB permits incidental use of the CFP marks by CFP professionals outside the country or region of their initial certification. Incidental use consists of displays of the CFP marks in/on:

- articles published in a new country or region.
- business cards or brochures distributed while traveling abroad.
- websites targeted toward stakeholders in the country or region of initial certification that are viewable outside the area's borders.

### ***Cross-Border Use***

If an individual wishes to hold himself or herself out as a CFP professional or use the CFP marks outside his or her country or region of initial certification for anything other than incidental use, the CFP professional can pursue one of two options:

- 1. Cross-Border Certification:** An individual using the CFP marks in more than one country or region can become cross-border certified by obtaining CFP certification from the FPSB Affiliate in the new country or region and abiding by the certification renewal requirements of both FPSB Affiliates. Once the CFP professional has completed the process, he or she can identify himself or herself as a CFP professional in those territories as well.
- 2. Restricted Use of the CFP Marks:** If an individual does not want to/cannot become certified in a new territory, he or she can always communicate the fact that he or she has obtained CFP certification in the country or region of initial certification.

## 11 What are the 4Es criteria for awarding CFP Certification?

CFP Certification worldwide is awarded by FPSB Affiliates to competent and qualifying candidates fulfilling the 4 E Criteria of CFP<sup>CM</sup> Certification, i.e. Education, Examination, Experience and Ethics.

## 12 What is the Education Criterion?

A candidate must complete academic coverage of the Financial Planning curriculum by undergoing the first five Modules of CFP<sup>CM</sup> certification Education Program through an authorized Education Provider or through "Self Study" and pass corresponding Exam 1-4 facilitated by National Stock Exchange. After a candidate is successful in all the examinations 1, 2, 3 & 4, he/she is eligible to appear in the Advanced Financial Planning examination termed as Exam 5. Candidates applying through the Challenge Status Pathway are deemed to have accomplished the

Education Program considering their higher qualifications and work experience. The Education criterion demonstrates to the public that the candidate has acquired the necessary knowledge to become a Financial Planner.

### **13 What is the Examination Criterion?**

The CFP<sup>CM</sup> certification Examination (also called Exam 5 based on Module VI-Advanced Financial Planning) is designed to assess the candidate's ability to apply Financial Planning knowledge to real-life Financial Planning situations. By passing the CFP<sup>CM</sup> certification Examination, the candidate demonstrates to the public that he/she has the required level of competency to practise Financial Planning. The National Stock Exchange (NSE) has been appointed by FPSB India to conduct the CFP<sup>CM</sup> Certification Examination.

### **14 What is the Experience Criterion?**

The experience requirement qualifies work experience that involves Personal Financial Planning. Candidates under the Regular Pathway may complete the experience criteria pre or post appearing for Exam 5. However candidates under Challenge Status pathway need to have attained relevant work experience before appearing for Exam 5. The Experience criterion is meant to provide the public with the assurance that the candidate understands different products of Financial Planning and their intricacies for a specific client apart from the counseling nature of personal Financial Planning.

### **15 What is the Ethics Criterion?**

To get the CFP<sup>CM</sup> certification, candidates after meeting Education, Examination & Experience criteria must agree to abide by FPSB India's Code of Ethics and Rules of Professional Conduct, Practice Standards and Disciplinary Rules and Procedures. Careful adherence to these standards of professional conduct helps turn initial consultations into trusted, long-term consulting relationships with clients and gain public confidence in the Profession and certification.

### **16 What does the CFP<sup>CM</sup> certification Education Program offer?**

The CFP<sup>CM</sup> certification Education Program provides an individual the knowledge on the full range of financial products that are available in the Indian financial markets and makes him competent to recommend his/her client the right financial product to match their needs. The program helps the individual understand the Financial Planning process and makes him capable of explaining the process to his/her clients. The individual, after gaining the CFP<sup>CM</sup> certification, would be highly trained, technically competent and he/she would have had some significant

practical experience. He/She would also be able to draft comprehensive Financial Plans of international standards for individuals. The CFP<sup>CM</sup> certification program covers the following areas – 1) Introduction to Financial Planning, 2) Risk Analysis & Insurance Planning, 3) Retirement Planning & Employee Benefits, 4) Investment Planning, 5) Tax Planning & Estate Planning, and 6) Advanced Financial Planning.

**17 Which are the six modules under the CFP<sup>CM</sup> certification Education Program and what is the nature of the curriculum?**

The Six modules under the CFP<sup>CM</sup> Certification Education Program are - 1) Introduction to Financial Planning, 2) Risk Analysis & Insurance Planning, 3) Retirement Planning & Employee Benefits, 4) Investment Planning, 5) Tax Planning & Estate Planning, and 6) Advanced Financial Planning. The module, Introduction to Financial Planning does not have an individual exam but is embedded in the examination of other five modules of the CFP<sup>CM</sup> Certification Program.

The Curriculum for the CFP<sup>CM</sup> certification is GLOCAL. It essentially means that it is global in outlook but has been localized as per the laws and regulations governing a particular country. The Syllabus is made by leading industry practitioners and academicians and is reviewed periodically to ensure that the curriculum is up-to-date and relevant to those working in the Financial Planning industry.

**18 What are the modes available to facilitate completion of education?**

FPSB India has authorized Education Providers to deliver the CFP<sup>CM</sup> certification Education Program to the students. Alternatively, a candidate can adopt "Self Study" mode whereby he/she can choose any courseware or study material available in the market and study by self. The CFP<sup>CM</sup> certification Education Program is delivered by authorized Education Providers through distance learning, e-learning mode, part-time and full-time Education Programs.

**19 In what language will the exam be conducted?**

Challenge Status / Exam 5 is now available in both English and Hindi. To apply for the appropriate one, please fill the relevant option in the Examination Enrollment Form.

**20 How do I pursue the CFP<sup>CM</sup> certification Program?**


There are 2 pathways through which an aspirant can register for the CFP<sup>CM</sup> Certification program, namely:

- 1) Regular Pathway through either Education Providers or "Self Study"
- 2) Challenge Status Pathway

**21 What are the minimum qualifications required to register for the CFP<sup>CM</sup>**

## certification Program and what are the minimum requirements for being entitled to use the CFP<sup>CM</sup> marks and to be called as a CERTIFIED FINANCIAL PLANNER<sup>CM</sup> professional?

The candidate enrolling with FPSB India to pursue CFP<sup>CM</sup> certification is required to be SSC or Class 10 pass, but he/she needs to be HSC or Class 10+2 pass for the award of CFP<sup>CM</sup> certification subject to fulfilling experience criteria. The education and experience criteria are explained in the Pathway matrix below:

PATHWAY TO CFP <sup>CM</sup> CERTIFICATION					
Components→	Education	Examination	Experience	Ethics	Certification
Options ↓					
I*	FPSB India Modules' Certification (2 Hours, each) 1. Risk Analysis & Insurance Planning 2. Retirement Planning & Employee Benefits 3. Investment Planning 4. Tax Planning & Estate Planning	CFP <sup>CM</sup> Certification Examination [4 Hours] * (FPSB India issues Provisional Certificate for successfully accomplishing CFP Certification Education Program)	Either Pre or Post CFP <sup>CM</sup> Certification Exam (7 Years for Graduates & 6 Years for Non-Graduates) Candidates failing the experience criterion within 7 years of competing examination shall have to retake all exams of CFP <sup>CM</sup> Certification	Signed Declaration for adherence to FPSB India's Code of Ethics and Rules of Professional Conduct, which includes Marks Use Rules	  CERTIFIED FINANCIAL PLANNER <sup>CM</sup> (CFP <sup>CM</sup> Certification)##  Ongoing commitment requires Certificates to earn 15 Continuous Education (CE) points through various knowledge upgrade programs/ activities along with payment of Certification fees for the year
II	Challenge Status Qualifications***		Must have completed 9 years of appropriate experience prior to CFP <sup>CM</sup> Certification Exam (3 Years in Financial Services industry, 5 years for finance related experience in other industry, self-employed)		
Career Opportunities					
Levels	Entry	Middle		Senior	
Qualification/ Experience	Pursuing CFP <sup>CM</sup> Certification Education Program + Graduate Fresher	Passed CFP <sup>CM</sup> Certification Examination + Work Experience of 1-2 Years		Attained CFP <sup>CM</sup> Certification + Experience of more than 3 years	
Job Profile	Trainees and Executives Banks, Wealth Managers & Financial Advisory Firms	Relationship Managers, Wealth Managers, Financial Planners/Advisors, Investment & Insurance Advisors		Sr. Planners/Advisors, Team Leaders, Functional Heads, Business Heads, Specialists	
Expected Pay Packets###	Rs. 2 to 4 Lakhs	Rs. 4 to 8 Lakhs		Above 8 Lakhs	

\* The candidate may accomplish the Education component of the CFP<sup>CM</sup> certification Program by exercising the "Self Study" option or may undergo training from FPSB India's approved Education Providers and pass FPSB India's Modules Certification (Exam 1-4) conducted by NSE's Certification in Financial Markets (NCFM) compulsorily before registering for the final CFP<sup>CM</sup> certification Examination. FPSB India and NSE jointly issue Associate Financial Planner (AFP) to successful candidates as certificate of Education Component.

\*\* CA, CFA (USA), ICWA, CAIIB, LLB, Ph.D./ M.Phil/ Post Graduate in Economics, Econometrics, Statistics, Commerce, Mathematics, Finance, Management, Financial Planning/ Advising, Investment. Licentiate/Associate/Fellowship of Life Insurance from Insurance Institute of India, Actuary from Institute of Actuaries of India, Civil Services Examinations by Union Public Service Commission, Company Secretary from Institute of Company Secretaries of India, Fellow Financial Services Institute, Fellow Life Management Institute. Post Graduate Diploma in Financial Planning (PGDFA) by Indian Institute of Banking & Finance (IIBF)

# Provisional Certification shall be subject to payment of the annual requisite fees.

## Subject to fulfilling experience criteria & payment of annual Full Membership Fees. A candidate could seek either Provisional Certificate or Final Certificate based on his/her eligibility in any financial year.

### Professionals with qualification such as MBA, CA, CFA etc may add 20-25% to expected pay packet

**Regular Pathway:** In order to enroll for the CFP<sup>CM</sup> certification Education Program, the applicant must have at least passed his SSC (Class 10th) or equivalent. However, the applicant will be entitled to use the CERTIFIED FINANCIAL PLANNER<sup>CM</sup> certification or CFP<sup>CM</sup> marks only after he/she has acquired a minimum qualification of HSC. Moreover, the applicant also needs to have a minimum work experience of 6 years in the financial services industry. In case the applicant is a graduate, he/she needs to have a minimum of 3 years work experience in the financial services industry. The candidate will have to give a 2 hour objective exam on each of the following subjects: 1) Risk Analysis & Insurance Planning, 2) Retirement Planning & Employee Benefits, 3) Investment Planning, 4) Tax Planning & Estate Planning, and a 4-hour exam on Advanced Financial Planning.

**Challenge Status Pathway:** In addition to the graduation qualification, the candidate who also possesses either of the following additional qualifications/certifications viz. CA, CFA (US), ICWA, CAIIB, CS, LLB, PhD, M.Phil, PG, Licentiate/Associate/ Fellowship of Life Insurance, Actuary, FFSI & FLMI from LOMA, Civil Service Examinations by UPSC would be eligible to enrol for the CFP<sup>CM</sup> certification program through the Challenge Status Pathway. In addition, he/she must also have a minimum work experience of 3 years in case of employment with a financial services organization or a minimum of 5 years of work experience in case he/she is self employed in the financial services industry or if he/she is employed in an industry which is not related to finance but working in a department related to finance or in the finance department of the company. Only after the applicant meets these criteria he/she shall be eligible for the Challenge Status program and on successful completion of the Examination-5, he/she shall be awarded the CFP<sup>CM</sup> certification by FPSB India. The applicant is then entitled to use the CERTIFIED FINANCIAL PLANNER<sup>CM</sup> certification or CFP<sup>CM</sup> marks and he/she would be rightfully called as a CERTIFIED FINANCIAL PLANNER<sup>CM</sup> professional.

## 22 How do I register through "Regular Pathway"?

A candidate who chooses "Self Study" mode can pursue study by self after registration with FPSB India. However, if a candidate chooses the Education Provider route for education, he/she needs to additionally register with one of FPSB India's authorized Education Providers, which are those educational institutes/corporations which are approved by FPSB India to provide education/training for the CFP<sup>CM</sup> certification program. FPSB India has authorized around 30 educational institutes/corporations as authorized Education Providers to conduct the education for the CFP<sup>CM</sup> certification program (Kindly visit FPSB India website for complete directory with search capabilities).

## 23 How do I register through "Challenge Status Pathway"?

The Challenge Status Program is for professionals who already possess certain skill sets and proficiency which is expected of Financial Planners. In order to enroll for

the Certification through the Challenge Status Pathway, the candidate needs to meet the education and experience criteria. A candidate applying for the Challenge Status pathway needs to appear only for a single examination (Exam 5). Nevertheless, the syllabus under the Challenge Status program is same as in the Regular Pathway.

## 24 What are the routes and fee structure available under Challenge Status Pathway?

The fee structure appears in the following table:

S. No.	Challenge Status Route	Fees	Fees Includes
1	FPSB India	Rs. 25,000	Registration Fees valid for 1 year, One time fees for Exam 5, Basic Study Material, Administration & Processing Fees
2	Education Provider	Rs. 20,000	Registration Fees valid for 1 year, One time fees for Exam 5, Administration & Processing Fees
3	IIBF-PGDFA	Rs. 20,000	Registration Fees valid for 1 year, One time fees for Exam 5, Administration & Processing Fees
4	Charter Member (Extended Special Offer)	Rs. 7,000	Registration Fees valid for 1 year, One time fees for Exam 5, Administration & Processing Fees

## 25 How much does it cost to pursue and attain the CFP<sup>CM</sup> certification under "Regular Pathway"?

### A) Education Provider mode

There are various costs associated with the CFP<sup>CM</sup> certification Program. The costs may vary from student to student based on the Education Provider he/she selects and number of attempts he/she requires to pass the examinations. A brief estimate of associated costs is listed below:

- Student Registration Fees with FPSB India: Rs. 10,000 (valid for 1 year)
- Education Program Fees: Each of the Education Providers (EP) has its own fee structure for the Education Program ranging from anywhere between Rs. 10,000 to Rs. 1,00,000 depending on the Program mode (online, distance learning or classroom) the candidates chooses
- Exam 1-4 Fees: Rs. 2,000 per exam per attempt
- Exam 5 Fees: Rs. 5,000 per attempt
- CFP<sup>CM</sup> Certification Fees: Rs. 5,000 and to be renewed annually

### B) "Self Study" mode

The candidate needs to pay registration fees (with FPSB India) of Rs. 10,000 (valid for 1 year), procure the courseware/study material of choice from the market. The fees for Exam 1-4, Exam 5 and certification remains as mentioned above.

**26 Does FPSB India contemplate any support structure for “self study”?**

FPSB India proposes to establish a Mentorship program shortly. The Mentorship initiative is expected to provide a kind of structural approach to “Self Study”. Students aspiring to pursue the CFP<sup>CM</sup> certification program through “Self Study” mode may opt to approach an FPSB India-approved mentor for guidance and advice in pursuing CFP<sup>CM</sup> certification. The same would be a structured and trusting relationship that will bring CFP<sup>CM</sup> certification aspirants with CFP<sup>CM</sup> certificants who would offer guidance, support and encouragement aimed at developing the competence and character of the mentee. In this initiative of FPSB India, a Mentor is expected to provide students with support, counsel, friendship, reinforcement and constructive examples for successfully attaining CFP<sup>CM</sup> certification. FPSB India may also facilitate certain courseware for students at a nominal cost.

**27 How will “Self Study” work in a scenario of no boundaries and no formal support structure?**

Under “Self Study” mode for registration to the CFP<sup>CM</sup> certification Program, a student may directly enroll with FPSB India by paying the Student Registration Fees. The student has option to study by self through courseware available in the market. The student may also decide to enroll for various available Education Programs (Distance Learning, Classroom Training, Web-based training, etc.) of choice. Hence, the student will be free to opt for training programs if he/she finds value in education programs delivered by the Education Providers. This proposal will ensure a student is not prohibited from pursuing the CFP<sup>CM</sup> Certification even if a student is competent to pursue the same through self study in a cost effective manner.

**28 Is loan facility available for those undergoing CFP<sup>CM</sup> certification program?**

Yes, a student loan can be availed through any of the public/private sector banks for funding CFP<sup>CM</sup> education. However, this loan is available only on the education fee (to be paid to the education provider) and not on the registration and exam fee, which the student needs to pay to the Board. Some Education Providers also accept the fee in installments. HDFC Bank has joined with a few of the Education Providers to offer, education loans to CFP<sup>CM</sup> certification students.

**29 How do I select my Education Provider?**

All the Education Providers are authorized by FPSB India based on the stringent eligibility criteria set by us and FPSB India does a regular audit to ensure education delivery in accordance with the standards set. However, FPSB India doesn’t rank the Education Providers. Therefore the students are advised to select their Education providers based on the following criteria and enquiring with multiple Education Providers:

- Mode of Education Delivery – distance education/classroom/online
- Faculty Support
- Course Material
- Workbooks and sample papers developed
- Cost structure and payment options
- Geographical accessibility
- Online support

### 30 What are the renewal requirements of CFP<sup>CM</sup> certification?

The following are 2 requirements for renewing the CFP<sup>CM</sup> Certification:

**A) Continuing Education (CE):** The CE requirement of 15 points is effective immediately upon certification and one is required to meet this to be a CFP<sup>CM</sup> certificant. Continuing Education (CE) plays a vital role to maintain and enhance the professional competence of the CFP<sup>CM</sup> professional in a dynamic industry. FPSB India has made Continuing Education one of the key requirements for continued use of FPSB India's CFP<sup>CM</sup> marks.

**B) Renewal Fee:** CFP<sup>CM</sup> Certificants pay a renewal fee currently set at Rs.5,000/- per year. To avoid the late fee, the CE requirement must be fulfilled and FPSB India must receive a duly-completed CE Reporting Form along with the Fee(s) before the renewal date.

### 31 What is AFP Certification?

To professionalize the product-based advisory and specialized advisory services, FPSB India has established AFP certification which is targeted at existing professionals who want to upgrade their knowledge about Financial Planning without undergoing the entire CFP<sup>CM</sup> certification Program. The various certifications available under this option are:

- AFP certification (Risk Analysis & Insurance Planning)
- AFP certification (Retirement Planning & Employee Benefits)
- AFP certification (Investment Planning)
- AFP certification (Tax Planning & Estate Planning)

However, FPSB India and the industry encourages students to undertake the complete CFP<sup>CM</sup> certification Program to practise Financial Planning in its true comprehensive spirit.

### 32 What's the difference in terms of competence, training and scope of duty between an AFP and a CFP<sup>CM</sup> certificant?

An AFP certificant is one who is trained and is competent to recommend the full range of a financial products to match the needs of his/her clients. He/she

understands the financial planning process and is able to explain the process to clients and provide clients with only segmented or modular plans but is not able to write comprehensive financial plans. For example - A candidate who has cleared AFP (Risk Analysis & Insurance Planning) can be relied upon for an expert advice on the subject of Insurance. However the advice has to be taken in isolation of other aspects of personal finance which may or may not yield the desired result. In order to earn the AFP certification, you are required to complete the following course(s):

Module 1 – Introduction to Financial Planning

Any one of the next four modules.

Module 1 is embedded in each of the next 4 modules, thus making Exam 1 – 4. So, effectively a candidate needs to clear any one of Exam 1 – 4 in order to be eligible for AFP certification.

Having fulfilled the education and examination requirements, you will have to fill up a certification form. You must also acknowledge the right of FPSB India to enforce its Professional Standards and Code of Ethics.

Having done all of the above, the final step would be for you to convert your student certificant status into an AFP certification status. This would require you to pay an annual subscription fee of Rs.1,500 to FPSB India before the AFP certificate is conferred. There will be no pro-rated refund on the student certificant fee paid. AFP being a professional certification, the certificant will be required to fulfill the Continuing Professional Development credit hours requirement. For AFP certificants, the requirement is 15 credit hours to be fulfilled per two-year reporting period.

A CFP<sup>CM</sup> certificant, besides being able to discharge the service that an AFP certificant can, would also be highly trained, technically competent and he/she would have had some significant practical experience. He/she would also be able to draft comprehensive financial plans of international standards for individuals. A CFP<sup>CM</sup> certificant can be relied upon not only on the matters of comprehensive financial planning but also on individual subjects be it taxes, insurance, investments or retirement.

In order to earn the CFP<sup>CM</sup> mark, you are required to complete the following course(s):

Module	Subject	Exam
1	Introduction to Financial Planning	
2	Risk Analysis & Insurance Planning + Module 1	Exam 1
3	Retirement Planning & Employee Benefits + Module 1	Exam 2
4	Investment Planning + Module 1	Exam 3
5	Tax Planning & Estate Planning + Module 1	Exam 4
6	Advanced Financial Planning	Exam 5

*Module 1 has 20% weightage in Examinations 1-4.*

You would also need to:

- Pass all the Module Examinations through the regular mode/pass the last module through Challenge Status mode.
- Be a certificant of FPSB India.
- Have at least 3 years of relevant working experience.

Qualifying work experience can be earned prior to, concurrent with, or subsequent to your education and examination requirements under the regular mode. However if you are a Challenge Status student the work experience has to be compulsorily earned before the examination.

Having fulfilled the education, examinations and experience requirements, you will be required to fill up a certification form. You will be required to disclose past or pending litigation or agency proceedings, if any. An acknowledgement of the right of FPSB India to enforce its Rules of Professional Standards and Code of Ethics on you must also be made.

Having done all of the above, the final step would be for you to convert your Student certificant status into a CFP<sup>CM</sup> certificant status. This would require you to pay an annual subscription fee of Rs.5,000 to FPSB India before the CFP<sup>CM</sup> mark is conferred. There will be no pro-rated refund on the AFP / Student Certification fee paid.

Being a professional certification, you will be required to fulfill the Continuing Education (CE) points requirement. For CFP<sup>CM</sup> certificants, the requirement is 15 CE points to be fulfilled per year reporting period.

### **33 How soon can I complete CFP<sup>CM</sup> certification? What is the maximum period given to a candidate to complete the CFP<sup>CM</sup> Certification Program?**

A candidate appearing for CFP<sup>CM</sup> certification examination through regular mode will require at least 3 months to complete the certification. However, a candidate appearing through Challenge Status mode can complete it within a month.

An applicant is required to complete the CFP<sup>CM</sup> certification Program within a maximum period of 7 years from the date he/she registers for the CFP<sup>CM</sup> certification Education program.

### **34 What will I be tested on?**

CFP<sup>CM</sup> certification students are assessed on the following:

- Professional advice and understanding of clients' needs; the fact-finding process; and the elements of good practice.
- Knowledge and application of protection of capital, savings and investment, and retirement related products.
- Knowledge of Indian financial services industry regulatory framework and taxation.

For a detailed syllabus, please contact FPSB India.

### **35 What do I gain for immediate recognition when I pass the exam?**

Success in passing the exam opens up several opportunities for immediate recognition by your peers, customers and the financial services industry as a whole. Successful candidates will be awarded a certificate. They will be invited to apply for certification with the FPSB India. CFP<sup>CM</sup> certificants who successfully apply for certification will be able to indicate their CFP<sup>CM</sup> certification on their professional identifications, including visiting cards and letter head.

### **36 What are the benefits of the CFP<sup>CM</sup> Certification?**

Benefits of CFP<sup>CM</sup> certification include:

- Certificants can indicate their certification status on their professional documents, including their name cards gaining recognition from peers and customers, and become part of a prestigious group of financial services providers dedicated to excellent service with a high standard of ethics.
- Free subscription to Financial Planning Journal - India's leading financial planning publication with news, analysis and comments on current issues.
- Newsletter.
- Special rates to attend seminars, forums and conferences organized by FPSB India.

### **37 I might consider upgrading my status to that of a CFP<sup>CM</sup> certificant sometime in the future. Can I just maintain my AFP license in the meantime?**

Yes. You can maintain your AFP license, but we would encourage you to continue with the program that would ultimately lead you to the prestigious CFP<sup>CM</sup> mark that is globally recognized. If for some reason you are unable to continue with the program, you have a maximum of 7 years to complete the CFP<sup>CM</sup> certification Education Program course from the date of your first module registration.

### **38 What happens if I have not completed the CFP<sup>CM</sup> certification Education Program even after 7 years?**

You will be required to re-register for the CFP<sup>CM</sup> certification Education Program course. In other words, you will need to undergo all the modules 1-6 once again.

### **39 Are there any other courses or programs offered by FPSB India?**

FPSB India offers only CFP<sup>CM</sup> certification and AFP Certification Programs. There are no other certifications, programs or degrees offered by FPSB India.

**40 I have successfully cleared all the CFP<sup>CM</sup> certification exam but I only have 2 years of relevant work experience. Am I eligible for the CFP<sup>CM</sup> certification?**

In your case, you will be issued a Special Certificate by FPSB India mentioning that you have successfully accomplished the CFP<sup>CM</sup> certification exams against an annual fee which is equivalent to the certification fee and following your successful completion of 3 years of work experience, you shall be awarded the CFP<sup>CM</sup> certification.

**41 What information do I need to provide when I apply for Practitioner Certification?**

- Application Fee of Rs. 5,000.
- Self-declaration Form duly signed by the candidate and the Special Declaration Form signed by the HR head of the company, if he/she is employed. In case the candidate is self-employed, then the form has to be signed by a Gazetted Officer.
- Qualification certificates (signed by the HR Head or Gazetted Officer as applicable).
- Work-experience certificates (signed by the HR Head or Gazetted Officer as applicable).

**Please note:**

- Incomplete applications can be subject to significant delays.

**42 How do I contact FPSB India for further information?**

Financial Planning Standards Board India (FPSB India)

**Mumbai Office:**

Ms. Nayana Shree Shakya

702, 7th Floor, Leela Business Park, Andheri-Kurla Road, Andheri (East),

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**Delhi Office:**


Ms. Priti Juneja

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