



CERTIFIED FINANCIAL PLANNER BOARD OF STANDARDS, INC.

FACT SHEET

Certified Financial Planner Board of Standards, Inc. (CFP Board) is a 501(c)(3) non-profit organization whose mission is to benefit the public by granting the CFP® certification and upholding it as the recognized standard of excellence for personal financial planning – one of the fastest growing professions in the country.

CFP Board acts in the public interest by fostering professional standards in personal financial planning through setting and enforcing education, examination, experience, ethics and professional conduct requirements. As of May 2020, there are over 87,000 CFP® professionals certified by CFP Board in the U.S.

To learn more about CFP Board and CFP® certification, visit www.CFP.net or www.LetsMakeaPlan.org. To learn about financial planning as a career, visit www.CFPPro.org.

Education

Unlike many professionals in financial services, CFP® professionals must develop theoretical and practical knowledge by completing a comprehensive course of study at a college or university offering a financial planning curriculum approved by CFP Board. More than 300 educational programs at over 200 institutions across the country are registered with CFP Board to provide this coursework. To retain certification, a CFP® certificant must also complete ongoing continuing education requirements, including courses on ethics.

Examination

To obtain CFP® certification, an individual must pass the CFP® Certification Examination, a six-hour test designed to assess an individual's comprehensive financial planning knowledge and ability to apply that knowledge to real-life financial planning situations. The exam covers the financial planning process, tax planning, employee benefits and retirement planning, estate planning, investment management and insurance. The overall pass rate for the exam over the past two years has been between 56 and 64 percent.

Experience

CFP® professionals must attain at least three years of financial planning work experience, which may include the supervision, direct support, teaching or personal delivery of all or part of the personal financial planning process to a client.

This hands-on experience means that CFP® professionals have practical financial planning knowledge, so that they are prepared to create a realistic financial plan that fits a consumer's individual needs.

Ethics

CFP Board's new *Code of Ethics and Standards of Conduct*, which sets forth the ethical standards for CFP® professionals, replaces CFP Board's current *Code of Ethics, Rules of Conduct, Financial Planning Practice Standards* and *Terminology*, effective October 1, 2019.

Enforcement

CFP Board's enforcement of its standards — including releasing disciplinary information to the public — distinguishes the CFP® certification from many other certifications and designations in the financial services industry. Everyone who seeks CFP® certification is subject to a thorough background check, and those whose past conduct falls short of CFP Board's ethical and practice standards can be barred from becoming certified. After attaining certification, a CFP® professional who violates CFP Board's ethical and practice standards may be subject to disciplinary action up to the permanent revocation of certification. CFP Board wants consumers to have confidence that they're partnering with a financial advisor who is competent and has made a commitment to acting ethically.

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