DELIVERED VIA E-MAIL: Fin.Planning@ontario.ca

April 16, 2018

RE: ONTARIO MINISTRY OF FINANCE – REGULATION OF FINANCIAL PLANNERS

Thank you for your request for submissions regarding important consumer protection initiatives that include:

- restricting the use of the title ‘financial planner’ to those individuals holding a recognized financial planning credential
- prohibiting the use of titles similar to ‘financial planner’ *and*
- creating a central database of financial planners

On behalf of its 9,000 + members, The Canadian Institute of Financial Planners (CIFPs) is pleased to provide you with this submission commenting on the above-noted issues, which are very important to its members. Further, our affiliate educational organization, The Canadian Institute of Financial Planning (CIFP) is pleased to represent the views of its 7,000 + students. We appreciate being asked to provide you with our views.

CIFPs is the professional association for financial planners in Canada. Many of the members of CIFPs hold the CERTIFIED FINANCIAL PLANNER® designation, which is the designation granted by Financial Planning Standards Council (FPSC) to individuals who have met its educational standards, passed the FPSC CERTIFIED FINANCIAL PLANNER Examinations, satisfied work experience requirements and agreed to abide by the FPSC Code of Ethics.

CIFPs provides its members with continuing education through courses and conferences, practitioner support services, including mentoring, best practices and technical publications, regulatory support, and advocacy services on issues that have the potential to impact financial planners. All members of CIFPs subscribe to the CIFPs Code of Conduct and Ethics.

As financial planners, the members of CIFPs include individuals registered as dealing representatives who are agents of firms registered as mutual fund dealers (members of the Mutual Fund Dealers Association of Canada) or as investment dealers (members of the Investment Industry Regulatory Organization of Canada). CIFPs members can also be licensed insurance agents and many members are duly licensed as securities dealing representatives and as insurance agents. Our members operate in all provinces and territories of Canada, and individual members are registered and licensed in each of the provinces and territories where they work with clients residing in those provinces and territories.

3660 HURONTARIO STREET, SUITE 600, MISSISSAUGA, ONTARIO L5B 3C4
TOLL-FREE: 1-866-635-5526 FAX: (647) 723-6457 CIFP WEB SITE: WWW.CIFP.CA

CIFP has been involved in the delivery of high quality financial planning education to Canadian financial planners since 1972. Currently, CIFP offers educational programs in financial planning and retirement planning and delivers customized financial education and training programs to many organizations in the financial services industry.

Additionally, CIFP through its CIFP Retirement Institute is the licensing body for the Registered Retirement Consultant (RRC®) and Registered Financial & Retirement Advisor (RFRA®) designations. These designations are supported by a rigorous educational program of study and examination, work experience, annual continuing education, code of conduct & ethics, and standards of practice. Over 5,000 RRC holders are currently licensed to provide the pre- and post-retirement and lifestyle planning needs of Canadians. With over 4,000 students currently registered in the RRC program, CIFP expects over 8,000 RRC holders serving Canadians within the next 18 months.

CIFPs and CIFP's strong focus and commitment to high standards of practice and education will guide and shape our comments to your questions in our submission. Our enclosed submission emphasizes the need for high-quality CE activities and CE content providers and the need for a streamlined, efficient and cost-effective delivery and management system for the proposed CE program.

*****

Thank you for considering our comments. Please contact **Keith Costello, the President and Chief Executive Officer of CIFPs at (647) 723-6447 or** **kcostello@cifps.ca** if you have any questions about our comments or you would like to meet with us to discuss them further. We would be very pleased to meet with you and hope that you will include us in any further discussions or consultations that you decide to undertake.

Yours very truly,

Keith Costello, BADM, MBA-Strategic Planning
President & Chief Executive Officer

3660 HURONTARIO STREET, SUITE 600, MISSISSAUGA, ONTARIO L5B 3C4
TOLL-FREE: 1-866-635-5526 FAX: (647) 723-6457 CIFP WEB SITE: WWW.CIFP.CA

PROPOSAL TO RESTRICT USE OF THE 'FINANCIAL PLANNER' TITLE IN ONTARIO

1.1. What changes, if any, would you suggest to the credential recognition standards above?

In principle, the Canadian Institute of Financial Planning (CIFP) is in agreement with the credential recognition standards brought forward by the government of Ontario.

This said, CIFP believes there is room to bolster these standards such that the benefit to the public and to the financial services industry will be strengthened even further.

WORDING OF THE CREDENTIAL RECOGNITION STANDARDS

CIFP suggests amendments to the current wording of the credential recognition standards so they are more direct and meaningful and minimize the potential for confusion and self-serving misinterpretation by education providers.

For example, the standards stipulate a credential must have a 'focus on financial planning' however, what is meant by such a broad term? To what degree and how sharp is this 'focus' required to be on any particular financial planning concept or, for any particular program—is it acceptable if concepts are covered such that the learner has only an introductory-level understanding or must he or she have an expert comprehension and if so, is this necessary in all instances?

Similarly, what is the basis on which holders of a particular credential will be deemed to have a 'solid educational grounding' as per the present wording of the credential recognition standards? Given that education programs can differ significantly in terms of their quality and scope, there needs to be a more precise phrasing of the standards to eliminate ambiguity with regards to the expectations of learners and the investing public.

Even the term 'financial planning' must be more precisely defined. Is this term restricted to comprehensive planning, where all planning areas are integrated, or, can a focus on a single sphere of planning (e.g. retirement or investments) also be captured under the realm of financial planning?

Clarifying the term 'financial planning' in particular is important because as much as broad-based planning has its place, effective planning can also be accomplished based on a modular or segmented model. There are a **select** few legitimate designations that narrow the area of study and give the holder specialized knowledge in one or two planning areas (e.g. Registered Retirement Consultant (RRC) designation, Certified Financial Analyst (CFA) designation, Trust and Estate Practitioner (TEP) designation) but, nevertheless can still be said to 'focus on financial planning' albeit using a phased-in approach.

3660 HURONTARIO STREET, SUITE 600, MISSISSAUGA, ONTARIO L5B 3C4
TOLL-FREE: 1-866-635-5526 FAX: (647) 723-6457 CIFP WEB SITE: WWW.CIFP.CA

CREDENTIAL RECOGNITION STANDARDS SHOULD BE THE MINIMUM STANDARD

In the same way the Expert Committee noted in its final report that the 'requirements to attain and retain…credentials can vary considerably, with some credentials [being] significantly more robust than others', it is important to recognize that this also holds true long before an individual actually earns a credential.

Bluntly put: the education programs that put learners on the path to attaining an approved credential are not created equally. Where multiple education providers are able to offer competing core curricula for a particular designation, as is the case with many designations, the quality of programs can differ dramatically. For example, an individual pursuing the CERTIFIED FINANCIAL PLANNER designation may do so through a number of accredited education providers ranging from independent organizations of various types to colleges and universities. On the surface, one might reasonably conclude that if all of these programs are accredited and ultimately lead to the CFP® designation, the curricula must all be on an equal footing.

Without equivocation, this is not the case. Even among approved programs, there can be significant variance in terms of the quality and breadth of the courseware and examination requirements. Material discrepancies in programs can clearly compromise an individual's education depending on the provider he or she selects. Extended further, when a consumer is assessing two financial planners, based on both individuals holding the same professional credential, it is reasonable for the consumer to assume both planners share the same degree of foundational technical knowledge however, this may not reflect the reality of the situation.

CIFP urges the government to take a strong stance in emphasizing the need for education providers to meet minimum standards. Frankly, not enough has been done in this regard to this point and it has been to the detriment of the financial services industry and Canadians in general.

Education providers in the financial services industry should meet high standards defined in prescribed rules in the same way a college or university must meet this test. The bar should be set high in terms of ethics, integrity and serving the public interest for organizations that offer education programs who may not be credentialing bodies.

SPECIFIC LEARNING OBJECTIVES FOR APPROVED EDUCATION PROGRAMS

To mitigate the variance in program quality, CIFP recommends that the Ontario Ministry of Finance provides a list of specific learning objectives that an approved program of study must cover in each planning area (i.e. financial management, retirement, taxation, asset management, risk management, estate planning, legal documents, etc.). Moreover, the minimum level of mastery expected for each learning objective should be identified, ranging from a basic definitional understanding to comprehension at an expert level. For example, the topic of corporate taxation may require only a fundamental or introductory level of knowledge whereas topics such as government-sponsored retirement income programs and registered plans may require the learner to have an expert knowledge.

3660 HURONTARIO STREET, SUITE 600, MISSISSAUGA, ONTARIO L5B 3C4
TOLL-FREE: 1-866-635-5526 FAX: (647) 723-6457 CIFP WEB SITE: WWW.CIFP.CA

Based on our years of experience as an accredited education provider, CIFP is well-positioned to assist the government—at its discretion—in identifying key learning objectives and mastery levels for each planning area.

Furthermore, for approved courses and programs, minimum standards should be set in terms of the number of study hours, the type of examination that is part of each course (e.g. theoretical, competency based or a hybrid examination) and the frequency and number of hours of continuing education required to uphold the credential. Moreover, the nature of qualifying activities that constitute true professional development should be described in detail (e.g. courses and workshops that promote technical knowledge as opposed to sales or product training).

Admittedly, these suggestions are not a perfect solution—there is no way to guarantee that all individuals practising financial planning will have identical competencies. However, they do at least provide clarity with regards to what the base line knowledge expectations for an individual calling himself or herself a 'financial planner' should be. By setting minimum standards for the topic areas to be covered in an educational offering as well as the level of expertise for each topic, there will be greater consistency in the foundational knowledge of those using the title 'financial planner'. Also, these suggestions will further reduce the confusion to the public who will know, that at the very least, an individual holding out as a financial planner has met a pre-defined minimum education standard.

REQUIREMENT TO DRAFT A FINANCIAL OR SEGMENTED PLAN

The aim of the standards for recognition is to ensure individuals using the title 'financial planner' in Ontario have the 'training and expertise to provide financial planning services'. To measure this, CIFP is of the belief that examination and course requirements must call on the learner to demonstrate competency in financial planning. After all, the value of comprehensive financial planning is not in the theory but, in the actual application of principles and concepts, more often than not, encompassing multiple planning areas.

However, clarity is needed as to what form this demonstration of competency should take and how it is to be evaluated. Without well-defined parameters, the degree to which competency-based learning is emphasized in the courseware can vary significantly.

The use of assessments, scenarios and case studies and competency-based examinations within the educational program are all means through which students can apply the principles they have learned. However, CIFP contends the most valuable exercise to demonstrate competency, within an education program, is requiring the learner to create a financial plan based on a case study. A well-crafted plan provides the clearest evidence that a learner has the capacity to properly assess the circumstances of a client and he or she is able to formulate appropriate strategies to help the client achieve his or her objectives.

Therefore, as a minimum proficiency standard, CIFP recommends that all approved designations mandate learners to draft a financial plan tied to a case study as a pre-requisite. The case study must be sufficiently complex to encourage the learner to think critically and should have

3660 HURONTARIO STREET, SUITE 600, MISSISSAUGA, ONTARIO L5B 3C4
TOLL-FREE: 1-866-635-5526 FAX: (647) 723-6457 CIFP WEB SITE: WWW.CIFP.CA

sufficient tension such that solutions are not straightforward and overlap multiple planning areas. The case study should also require the learner to identify and prioritize the competing goals of the mock client and to come up with suitable trade-offs and alternate strategies when goals cannot be achieved as originally stated.

With its extensive experience as a leading accredited education provider, CIFP can assist the government on several fronts be it in an advisory role, helping the government define standards for the case study and financial plan or even developing the case study itself to be used by all educational programs.

RELATED WORK EXPERIENCE

The aim of the credential recognition standards is, in part, to ensure the course and examination requirements of an approved education program demonstrate competency in financial planning. Should evidence of this same competency not also be a requirement once the individual is actually in practise as a planner?

Being able to put a financial planning concept into practice without creating complications in other planning areas or disrupting other goals or the equilibrium of the overall plan can only be mastered through education and practical experience.

Therefore, CIFP recommends the government only approve credentials that, as part of its certification process, stipulate having a minimum of one year of qualified work experience. Individuals will have to provide proof of meeting this requirement (e.g. a letter from their employer detailing the nature of their qualified work experience) before they will be granted authorization to use the title from the credentialing body.

ASSESSMENT OF BODIES ISSUING DESIGNATIONS

As this submission from CIFP makes clear, a rigourous examination must be undertaken of any education program that leads to an approved designation. However, the review process does not end there—the strength and credibility of a designation can only be as good as the entity that sanctions the credential.

With this in mind, CIFP favours a stringent assessment not only of educational programs but, equally, of the body that administers the designation. At a minimum, criteria that should be met by the issuing organization include:

- a proven track record of sponsoring educational programs and/or designations and certifications that meet the highest standards of quality and proficiency
- a proven track record of advocacy and serving the public interest

These criteria are by no means exhaustive but, they do serve as a starting point. CIFP would be pleased to coordinate with the Ontario Ministry of Finance to expand its thoughts on this matter and to develop a workable review procedure to ensure the issuing bodies pass muster.

3660 HURONTARIO STREET, SUITE 600, MISSISSAUGA, ONTARIO L5B 3C4
TOLL-FREE: 1-866-635-5526 FAX: (647) 723-6457 CIFP WEB SITE: WWW.CIFP.CA

1.2. To what extent do specific credentials currently used in Ontario meet the credential recognition standards?

Based on the framework presented by the Ontario Ministry of Finance, CIFP believes the following designations currently used in Ontario meet the credential recognition standards:

- CERTIFIED FINANCIAL PLANNER (CFP), issued by Financial Planning Standards Council
- Certified International Wealth Manager (CIWM), issued by the Canadian Securities Institute
- Chartered Life Underwriter (CLU®), issued by The Institute for Advanced Financial Education
- Financial Planner (F.Pl.), issued by the Institut québécois de planification financière and the Autorité des marchés financiers (although, not used in Ontario)
- Personal Financial Planner (PFP®), issued by the Canadian Securities Institute
- Registered Financial Planner (R.F.P.), issued by The Institute of Advanced Financial Planners
- Registered Retirement Consultant (RRC)/Conseiller en Retraite et Conseillère en Retraite (CR), issued by the CIFP Retirement Institute
- Registered Financial and Retirement Advisor (RFRA/CR), issued by the CIFP Retirement Institute

The above list is not intended to be exhaustive.

In addition to the credentials identified above, allowances should be made for new designations to be added to the list as well as existing designations that may be amended such that they satisfy the credential recognition standards identified under this proposed framework.

1.3. What impact would the requirement to hold a recognized credential have on individuals currently operating as financial planners in Ontario?

If the minimum proficiency standards for an individual seeking to hold himself or herself out as a financial planner are raised, it follows that those who currently do not meet this standard will have to forfeit the right to use such a title. For the betterment of the financial services industry and more importantly, for the protection of Ontarians, this must necessarily be the case.

Just as a rising tide lifts all boats, imposing new standards, in conjunction with competitive pressures within the industry, may well have the effect of motivating individuals currently operating as financial planners without the backing of a recognized credential to begin the journey of attaining an approved designation.

While a wave of self-improvement in the industry may represent the best case scenario, there is the potential for an unintended consequence that must be taken into account: changing who can hold out as a financial planner may well have a negative impact on individuals who hold

3660 HURONTARIO STREET, SUITE 600, MISSISSAUGA, ONTARIO L5B 3C4
TOLL-FREE: 1-866-635-5526 FAX: (647) 723-6457 CIFP WEB SITE: WWW.CIFP.CA

legitimate credentials albeit, credentials that may not be part of the approved list based on the wording and ultimate interpretation of the recognition standards.

SPECIALIZED DESIGNATIONS AS RECOGNIZED CREDENTIALS

As mentioned in the answer to question (1.1), there are a **handful** of *bona fide* professional designations that, by design, give the holder specialized knowledge in a particular area of financial planning such as retirement or investments (e.g. Registered Retirement Consultant (RRC) designation, Chartered Financial Analyst (CFA) designation, Trust and Estate Practitioner (TEP) designation). These specialty designations contain a robust program of study at an advanced level—in some instances, more advanced than the CERTIFIED FINANCIAL PLANNER designation, widely recognized as the gold standard in financial planning—and require ongoing professional development and adherence to a code of ethics and practice standards.

To this end, it is incumbent on the government to exercise considerable care in determining precisely what credentials should be viewed as *recognized* credentials. CIFP respectfully cautions the government not to adopt the common stance that the only financial planning worth doing is comprehensive planning and consequently, the only designation worth holding is a broad-based planning designation. Doing so will unfairly penalize individuals who have specialized and advanced knowledge in one or two areas of planning and who demonstrate the application of this knowledge competently and professionally to their client base.

COMPREHENSIVE PLANNING VS. SEGMENTED OR MODULAR PLANNING

As much as an all-encompassing financial plan may be the ideal for every client, it simply is not realistic. A comprehensive plan addressing all financial planning areas is not always necessary or possible, depending on the circumstances and stage of life of a client. Also, the willingness and interest of the client to participate in such a lengthy and detailed process in which the client himself or herself has obligations to meet, cannot be presumed.

Equally important, a comprehensive plan does not always have to be built in one sitting—rather, it can evolve piecemeal, over a period of time, synchronous with the changing needs of the situation of the client. Is there value in forcing a comprehensive plan, containing detailed retirement projections and a sophisticated investment plan, on a debt-laden, recent graduate who is just entering the workforce? The assumptions used for expected rates of return, inflation, indexing, government retirement income streams, and other variables extending 40 years into the future are guesses at best and will likely be proven wildly inaccurate with the passage of time. At their worst, these kinds of forecasts, especially when the potential for changing life situations is not taken into account, can be detrimental as they set unrealistic expectations for the client.

At this particular moment in time, this client would be better served with a modular plan focusing on financial management, risk management and basic investment planning. A segmented plan does not have to mean a degradation of quality or a compromise relative to a broad-based plan; it also does not preclude coverage of a select planning area in a comprehensive manner. As the client settles into his or her career and undergoes life events, it may then be

3660 HURONTARIO STREET, SUITE 600, MISSISSAUGA, ONTARIO L5B 3C4
TOLL-FREE: 1-866-635-5526 FAX: (647) 723-6457 CIFP WEB SITE: WWW.CIFP.CA

appropriate to address other financial planning areas until all segments are eventually covered and the client ends up with a complete plan, albeit constructed over a period of time.

Herein lies the point with regards to what ought to constitute a recognized financial planning credential: an approved designation should not be the exclusive domain of credentials that purport to be comprehensive in nature. This is particularly true given the significant variance in the quality and breadth of coverage that exists among the various designations currently used by planners.

Returning to the recent graduate burdened by debt who is entering the workforce, he or she has an immediate need for a comprehensive financial management plan but, at this moment in time, less of a need, for a comprehensive retirement plan. This individual can certainly deal with a planner holding the CFP designation and who does broad-based planning—this is not an issue. However, by the same token, the client would not be ill-served dealing with a planner who does not necessarily hold the CFP credential but, who does hold another credential that gives him or her specialized knowledge in financial management.

The client may well outgrow this planner as his or her situation increases in complexity but, for the present, the planner with specialized knowledge can competently address the needs of the client without compromise.

OTHER OBSTACLES TO COMPREHENSIVE PLANNING

There is a further complication that arises by insisting on comprehensive plans for all individuals in all circumstances. Even if the recent graduate from the example wanted to start working with a highly credentialed financial planner right away, it may not be possible or, the best fit at this juncture of his or her life:

- In many organizations, such as the chartered banks, there are multiple levels of financial advisors, each with a mandate to deal with clients of a particular demographic. The first stop for this type of client would be a junior level advisor. The client will likely not gain access to a planner holding an approved designation and practicing comprehensive financial planning until he or she has accumulated a certain amount of investable household assets.
- In the case of a credentialed financial planner compensated by commission, there is a strong likelihood the planner may simply choose not to work with this client as there is no immediate incentive for him or her to do so or, the planner may pass the client onto an associate until such time as the client has assets to invest with the senior planner.
- For this client, who is likely an unsophisticated neophyte with regards to money management, a comprehensive financial plan may prove to be overwhelming. Overcomplicating matters may actually prove counterproductive in terms of incenting the client to act on recommendations.

  On the other hand, a concentrated and thorough modular plan with a strict focus on financial management—in other words, addressing his or her most pressing need—may be the most

3660 HURONTARIO STREET, SUITE 600, MISSISSAUGA, ONTARIO L5B 3C4
TOLL-FREE: 1-866-635-5526 FAX: (647) 723-6457 CIFP WEB SITE: WWW.CIFP.CA

appropriate document for this client at this time and is more likely to elicit an enthusiastic and positive response from the client.

To be clear: it is not the contention of CIFP that a specialty designation/certification is on par with a comprehensive financial planning designation—the parts cannot be greater than the whole in this context. However, there are instances when a modular plan drafted by an individual with specialized knowledge can be equally effective and perhaps even a better fit at a specific moment in time.

Rigour to ensure only legitimate specialized designations are recognized

This said, it is imperative that any specialty designations/certifications that are to be approved are first scrutinized for quality. In fact, CIFP would encourage the Ontario Ministry of Finance to raise the bar for approval for these kinds of designations/certifications relative to designations with a broader financial planning mandate.

In too many instances, the right to use a specialized title can often be earned with minimal effort and they are neither regulated on an ongoing basis nor require continuing education to uphold them. Unfortunately, these 'credentials' only serve to obfuscate and mislead an unsuspecting public and to detract from holders of designations—broad-based and specialized—that are in fact legitimate. The best interests of the public will not be served nor will it alleviate the confusion that currently exists if the floodgates are opened to any and all quasi and academically debatable credentials that purport to give an individual advanced knowledge in a particular sphere of financial planning.

The financial services industry is already plagued by alphabet soup syndrome—awash with a dizzying array of acronyms representing dubious titles—the proposed amendments should not add fuel to this fire.

As much as specialty designations/certifications should have the potential for approval as a recognized credential, the educational program supporting them must be of the highest standards—CIFP would recommend at a minimum level of the CFP core curriculum. In other words, the acid test for the credibility of a specialized designation/certification is that its educational content should seamlessly slot into any core curriculum of the CFP program. Effectively, the learner is studying courseware that is at the highest level, just in segments rather than as a full program. In addition, the specialty designations/certification should satisfy all other aspects of the credential recognition standards including a comprehensive examination and requirement to complete a financial plan, a minimum work experience requirement, continuing education requirements, a code of conduct and practice standards, a disciplinary process and a mechanism to revoke the credential when warranted.

CIFP has over 40 years of experience as an elite education provider. Our organization would be pleased to collaborate with the Ontario Ministry of Finance in assessing applications to approve specialty designations/certifications.

3660 Hurontario Street, Suite 600, Mississauga, Ontario L5B 3C4
Toll-free: 1-866-635-5526 Fax: (647) 723-6457 CIFP Web site: www.CIFP.ca

1.4. What impact would the requirement to hold a recognized credential have on internationally-trained professionals that relocate to Ontario and wish to operate as financial planners?

An internationally trained professional who relocates to Ontario and who wishes to operate as a financial planner should be subject to the same standard of holding a recognized financial planning credential as any other resident of Ontario.

An individual who has relocated should be afforded every opportunity to upgrade his or her status through a transitional process. Hopefully, employers will play an important role in supporting the individual during this time and facilitating his or her education path. By way of support programs, there may also be an opportunity for the government of Ontario to help individuals in this situation.

Importantly, while an individual is in this transitional period and until such time that the individual has earned the right to use a credential approved in Ontario, he or she should not be permitted to hold out as a financial planner.

ACADEMIC STANDING

There may be an opportunity for an internationally trained professional to earn partial or full academic standing in the core curriculum of an approved designation (e.g. CERTIFIED FINANCIAL PLANNER designation) based on their studies outside of Canada and subject to certain conditions being met. The individual should be given credit for academic components completed in another jurisdiction provided the learning objectives in each component are applicable in Ontario and the external program of study is on par with the base line standard of knowledge required of an approved program in Ontario. If an equivalency is granted, the individual would then simply need to complete the outstanding components to fulfill the requirements of the Ontario program. Such exemptions will reduce the time and/or requirements for a foreign-trained student to attain a credential recognized in Ontario.

With this in mind, recognized credentials should contain provisions for the sponsoring body to grant equivalencies in the core curriculum, as appropriate, for individuals who have conducted some of their studies in jurisdictions outside of Canada.

3660 HURONTARIO STREET, SUITE 600, MISSISSAUGA, ONTARIO L5B 3C4
TOLL-FREE: 1-866-635-5526 FAX: (647) 723-6457 CIFP WEB SITE: WWW.CIFP.CA

1.5. Are there any particular foreign credentials that would meet the proposed credential recognition standards? If so, please also provide the name of the credentialing organization.

CIFP believes the following foreign professional designation meets the proposed credential recognition standards:

- Chartered Financial Planner (Chartered Insurance Institute, United Kingdom)

ACADEMIC STANDING

As detailed in the answer for question (1.4), where applicable and subject to certain conditions, individuals who have completed their studies outside of Canada should be given academic standing for the core curriculum components that are common to the foreign jurisdiction and Canada.

As per our answer to question (1.4), CIFP absolutely agrees that a newcomer must be required to learn new concepts, concepts that are unique and specific to Canada (typically, in the area of taxation) and concepts that may have been covered in the foreign program but, not to the level of mastery required in Canada. However, mandating an individual to restudy broad and universally recognized concepts for which he or she has already demonstrated a degree of proficiency in his or her foreign studies and that are equivalent to the standard set in Ontario is redundant, inefficient, demotivating and unnecessarily onerous and costly to the learner.

The government would do well to avoid the arduous route foreign medical practitioners and other foreign professionals must undergo if they wish to relocate and practise in Canada. Essentially, their achievements in their home land are not recognized thereby, leaving them no alternative but, to rewrite all of their examinations in Canada. Perhaps such a drastic approach can be justified in the medical field however, CIFP feels it would be superfluous for foreign financial planners.

1.6. What would constitute an appropriate transition period to allow individuals operating as financial planners in Ontario to attain a recognized credential once the proposed framework has been implemented?

CIFP believes an appropriate transition period to allow individuals operating as financial planners in Ontario to attain a recognized credential is between two to five years.

The framework proposed by the Ontario Ministry of Finance represents a significant undertaking. Accordingly, there needs to be sufficient lead time for individuals and organizations to grasp the scope of the changes and its impact on their operation. Individuals and organizations

3660 HURONTARIO STREET, SUITE 600, MISSISSAUGA, ONTARIO L5B 3C4
TOLL-FREE: 1-866-635-5526 FAX: (647) 723-6457 CIFP WEB SITE: WWW.CIFP.CA

should then be afforded an extended period of time to put these changes into force so as to minimize disruptions to the individual planner, the firm and consumers.

CIFP has extensive experience with these kinds of upgrade programs most notably, with Canadian chartered banks and prominent, national wealth management firms. Be assured, the process is far from straightforward. Given the multi-level structure of these large organizations, implementing a program of this magnitude requires significant consultation with all of the different players as does managing and synthesizing all of the unique departmental and regional interests that are brought to the table.

As a cautionary note, the government may wish to revisit the recent transition made in the United Kingdom model to understand the perils of bringing about changes too quickly. In the U.K., the new platform was not well-thought out and was brought in too hastily. It resulted in a significant loss of financial planners from the industry as they were unable to meet the new standards within the prescribed time. Leaving aside the inefficiencies and additional costs, it was the mainstream public that was hurt the most by a poorly conceived plan. Consumers of financial planning services, particularly, those who did not have a meaningful net worth or who did not have investable assets of note suffered the most due to a lack of qualified planners or, at least, a lack of qualified planners willing to take an interest in their particular situation. The unfortunate irony is that it is precisely this segment of society that is most in need of the services of a financial planner.

Using this as a learning experience, CIFP encourages the government to allow sufficient time to introduce the new framework in Ontario so, it can be adopted as seamlessly as possible and will avoid the fallout seen in the United Kingdom.

1.7. Do you believe that the proposed credential requirement for financial planners would benefit consumers of financial planning services? If not, how would you alter the framework to improve consumer protection?

Yes, in principle, CIFP believes that the proposed credential requirement for financial planners will benefit consumers of financial planning services.

The thrust of the changes brought forward by the Ontario Ministry of Finance revolves around regulating the title of 'financial planner'. Clearly, this is important. The number of individuals presently practising as financial planners even though they lack the requisite education and competency represents a consumer protection concern to which we cannot turn a blind eye. Consequently, any changes that bring about clarity and a greater sense of comfort for Ontarians who use financial planning services has to be viewed in a positive light.

3660 HURONTARIO STREET, SUITE 600, MISSISSAUGA, ONTARIO L5B 3C4
TOLL-FREE: 1-866-635-5526 FAX: (647) 723-6457 CIFP WEB SITE: WWW.CIFP.CA

SPECTRUM OF RECOGNIZED CREDENTIALS RANGING FROM SPECIALIZED TO COMPREHENSIVE

Integral to the success of these proposed changes is the criteria and the process used to identify the credentials that will be recognized in Ontario. As previously mentioned in this submission, the list of approved designations must obviously include comprehensive financial planning credentials however, it cannot be so dogmatic to stop there; it should also allow for **select** specialty designations with the proviso that they meet the credential recognition standards.

Consumers would be better served having the option to access recognized financial planners along a spectrum that is tied to the planning services they offer ranging from specialized to broad-based. As much as full financial planning services should be recognized, the reality cannot be ignored: the mainstream public, for a variety of reasons, typically does not gravitate to this type of service (assuming consumers are inclined to deal with a planner of any ilk in the first place). However, consumers may be more likely to consult with a planner who offers expert services in a particular sphere of financial planning that is directly aligned to the needs of the consumer depending on their stage of life and their financial situation.

There should be a periodic and regular review of the recognized credentials list to ensure all of the designations remain relevant to practising financial planners over time and continue to meet the highest standards. Similarly, the credential recognition standards themselves should be periodically assessed to ensure they continue to identify the optimal credentials.

EXTENSIVE, SYSTEMATIC AND REGULAR REVIEW PROCESS FOR ALL ASPECTS OF THE PROGRAM

The second key to the success of the proposed changes is that the focus extends beyond just the regulation of the financial planner title. For the public to have full confidence, it needs assurance that an extensive, systematic and regular review process is in place for *all* aspects of the new framework.

Before an educational offering is recognized, there must be sufficient vetting of the program of study, the course or program content, the examination process and requirement, the requirement to complete a financial plan, the need to meet a minimum qualifying work experience standard, the presence of a code of ethics and practice standards to which designation holders must adhere, a continuing education requirement and a disciplinary process and mechanism by which the credential may be revoked as situations dictate.

The public should also have full confidence that an accredited education provider for a particular designation—that may be separate from the body that actually administers the credential—meets a base line standard and their status is regularly reviewed and approved so as to weed out providers whose interests may be contrary to serving the public interest.

3660 HURONTARIO STREET, SUITE 600, MISSISSAUGA, ONTARIO L5B 3C4
TOLL-FREE: 1-866-635-5526 FAX: (647) 723-6457 CIFP WEB SITE: WWW.CIFP.CA

PROPOSAL TO PROHIBIT TITLES SIMILAR TO 'FINANCIAL PLANNER'

2.1. Is the proposed list of prohibited titles appropriate? Why or why not? Would you add any titles to the list? Would you remove any titles from the list?

In principle, CIFP views the list of prohibited titles under the new framework as appropriate. CIFP agrees that these specific titles could be misleading to consumers and could reasonably be construed to convey the false impression that the planner has expertise and specialized knowledge in a particular area of financial planning. Accordingly, it is fitting that they be banned.

CAVEAT WITH REGARDS TO PROHIBITING TITLES

This said, in taking steps to ban certain titles, care must be exercised so as to avoid unintended consequences, to wit: tarnishing valid credentials that happen to include one or more of the root words identified in the prohibited titles list as part of its name. For example, the Registered Retirement Consultant designation contains the word 'retirement'. CIFP is in agreement that this word cannot be combined with the word 'planner' to form a stand-alone title (i.e. Retirement Planner) and should there be attempts to use this title, it should rightfully be disallowed.

However, by the same token, an individual who has attained the Registered Retirement Consultant credential—a well-respected and well-subscribed designation within the financial services industry that satisfies the credential recognition standards under this proposed framework—should not be precluded from holding out as a financial planner simply because the RRC designation contains one or more of the root words that appears on the prohibited list (i.e. in this case, the word 'retirement'). In essence, provided a designation is a recognized credential—which by definition means it has satisfied the credential standards set out by the government—its holders should not be penalized and the merits of the designation should not be diminished simply on the basis of nomenclature.

In fact, the use of one or more of the root words from the prohibited list—as long as it is not used in combination with the word 'planner'—often serves to clarify and give the public a better understanding of the qualifications and competencies of the planner and the skills he or she provides to the consumer. Is there any confusion that a holder of the Registered Retirement Consultant designation provides planning services that specializes in retirement? Similarly, there is nothing ambiguous about the area of expertise for an individual who holds the Trust and Estate Practitioner designation. This kind of directness and clarity is lacking with many of the titles currently in circulation so, the government should be careful not to further muddle matters by excluding these root words from all recognized credentials if they enhance the public's understanding of what the planner can do for them.

The point to be made is that it is one thing to use a title containing the word 'planner' in combination with one or more of the words from the prohibited list with the effect of misleading

3660 HURONTARIO STREET, SUITE 600, MISSISSAUGA, ONTARIO L5B 3C4
TOLL-FREE: 1-866-635-5526 FAX: (647) 723-6457 CIFP WEB SITE: WWW.CIFP.CA

the public—deliberately or inadvertently. It is something entirely different to be the holder of a designation that satisfies the credential recognition standards and that may contain one or more of the root words from the prohibited list but, where the use of the root words serve as a meaningful descriptor of the qualifications and services offered by the planner.

AMENDMENTS TO THE LIST OF PROHIBITED TITLES

At present, CIFP does not see the need to alter the proposed list of prohibited titles with either additions or deletions.

This said, CIFP believes it would be prudent and forward thinking for the government to emphasize that although the list of banned titles under this framework is reflective of the current landscape, it should not be taken to mean the list is exhaustive or fixed.

As will be addressed in the feedback to question (2.4), there should also be a provision that calls for a regular and periodic review of the prohibited titles and amendments made to the list—most likely with the addition of further banned titles—as appropriate.

2.2. Is the proposed general prohibition on the use of other misleading titles appropriate?

Yes, the proposed general prohibition of titles similar to 'financial planner' is appropriate.

This catch-all rule is important from the standpoint of pre-empting individuals as well as education providers who seek to either use or sponsor a misleading title as a means of circumventing the recognized credential requirement.

Taken at face value, there are titles presently in use that unsuspecting Ontarians could reasonably interpret as giving the planner an elevated status with regards to his or her qualifications and knowledge that would be misplaced. In the best interests of the public and to truly protect consumers, CIFP urges the government to vigourously enforce this rule when it comes into effect.

2.3. How should the use of the title "Financial Adviser" or "Financial Advisor" be treated under the proposed framework outlined in this paper?

The precise delineation between the role of a financial planner relative to the role of a financial advisor is at best blurred. This said, the financial services industry generally accepts that a *financial planner* analyzes the circumstances of a client and devises a financial plan—be it a comprehensive plan or a segmented plan—that will help the client achieve his or her short- and long-term objectives. In contrast, the function of the *financial advisor* revolves more around the implementation of recommendations that have been made by the planner. Matters can become

3660 HURONTARIO STREET, SUITE 600, MISSISSAUGA, ONTARIO L5B 3C4
TOLL-FREE: 1-866-635-5526 FAX: (647) 723-6457 CIFP WEB SITE: WWW.CIFP.CA

confused however, as there are many instances in which the planner undertakes both the function of planner and advisor.

Clear definition of 'financial advisor/adviser' for the public

If the title 'financial adviser' or 'financial advisor' is permitted under the proposed framework, CIFP believes the Ontario Ministry of Finance must settle on a clear definition of the term and how it differs from 'financial planner'. In particular, the definition must focus on the scope of services each are allowed to provide and the qualifications, certification and/or licensing pre-requisites that must be met to hold out as a planner relative to an advisor. A full explanation to the public, in layman's terms, is important because it is unfair to leave it to the consumer to decipher what can often amount to a subtle difference between the two roles.

Clear definition of the role a 'financial advisor/adviser' can undertake

Furthermore, if it is accepted that the role of a 'financial adviser' or 'financial advisor' is to help a client implement recommendations made by a financial planner, the government must safeguard Ontarians from advisors straying into the domain of planners, intentionally or otherwise. Creating a financial plan and making recommendations after weighing the totality of the client's financial circumstances calls for a very different skill set than putting the recommendations into force. To protect consumers, rules must be in place to prevent an advisor from providing planning recommendations unless they relate directly to the implementation process (e.g. a recommendation to invest in a specific financial product such as a mutual fund).

While it is certainly possible for a financial planner to overstep his or her boundaries and carry out the implementation function of an advisor, it is less of a concern as there is already a strong legislative backdrop and disciplinary process in place overseeing unauthorized trading activities by unlicensed persons.

Independent standards to regulate 'financial advisors/advisers'

If the title 'financial adviser' or 'financial advisor' is permitted under the proposed framework, it is the view of CIFP that it should be regulated by an independent set of standards. The standards can follow the same general guidelines applicable to those holding out as a 'financial planner' but obviously, customized to reflect the implementation function of the advisor.

Finally, the proposed list of prohibited titles as well as the proposed general prohibition on the use of misleading titles that apply to 'financial planner' have equal relevance to 'financial advisor' or 'financial adviser' and therefore, should be reflected in the new framework.

3660 Hurontario Street, Suite 600, Mississauga, Ontario L5B 3C4
Toll-free: 1-866-635-5526 Fax: (647) 723-6457 CIFP Web site: www.CIFP.ca

2.4. Prohibited titles would need to be reviewed on a periodic basis to ensure the list remains current and appropriate. What would you consider to be an appropriate review period?

CIFP feels a review of prohibited titles to ensure the list remains current and appropriate should take place every five years. This time frame is practical, should not be overly burdensome to carry out and allows the list to keep pace with the evolving nature of the financial services industry.

3660 Hurontario Street, Suite 600, Mississauga, Ontario L5B 3C4
Toll-free: 1-866-635-5526 Fax: (647) 723-6457 CIFP Web site: www.CIFP.ca

PROPOSAL TO CREATE A CENTRAL, PUBLICLY-ACCESSIBLE DATABASE OF FINANCIAL PLANNERS

3.1. What information should be included on the central database?

The information that should be included in a central database in large part is the information that is presumably already included in the registries of regulatory and credentialing bodies.

TOP-DOWN PRESENTATION OF INFORMATION

To encourage Ontarians to use the service and to avoid an unpleasant experience, simplicity and ease of access to information should be paramount in the structure of the database and its search function.

CIFP would suggest providing information about each financial planner using a 'top-down' approach—that is starting with an overview of the status of the financial planner on the first page and then filtering down to more detailed information about the planner on a subsequent page or pages. This gives the user complete discretion and flexibility to determine how much information they want to gather about a financial planner. If all a consumer wants to know is that the planner is registered in Ontario, holds a recognized credential in good standing and is not subject to disciplinary hearings, this information can be effectively summarized on the first page. On the other hand, if a consumer wants additional information about the planner or an elaboration on an entry that appears on the summary page, the consumer has the option of clicking on the appropriate link to continue to the next page.

INFORMATION TO BE INCLUDED IN THE CENTRAL DATABASE

At a minimum, information on the central database should include the following:

i) Summary or overview page

- the full legal name of the financial planner as well as aliases or alternate names that may be used by the individual
- city where the financial planner offers his or her services
- firm with whom the financial planner is employed (or independent)
- registration status (i.e. current, not registered, exempt, no longer practising)
- name of recognized credential held and whether or not the individual is in good standing
- disciplinary history (i.e. is the planner currently or has he or she previously been subject to a disciplinary hearing)

3660 HURONTARIO STREET, SUITE 600, MISSISSAUGA, ONTARIO L5B 3C4
TOLL-FREE: 1-866-635-5526 FAX: (647) 723-6457 CIFP WEB SITE: WWW.CIFP.CA

ii) Subsequent pages accessible by clicking on links contained in the summary or overview page

- full address and contact information of firm with whom the financial planner is employed (or independent)
- languages in which the financial planner offers his or her services
- area of focus and/or expertise of financial planning services offered such as:

  - general or comprehensive planning
  - retirement planning (ranging from pre-retirement to post-retirement)
  - small business owners or self-employed individuals and succession planning
  - credit counselling, debt management and bankruptcy
  - agriculture or farm owners
  - U.S. cross-border or international planning
  - divorce or breakdown of relationship planning
  - employee group benefits
  - estate planning and legal documents
  - executive compensation and benefits
  - risk management
  - asset management
  - mortgages
  - severance and termination benefits
  - tax planning
  - planning for dependents with disabilities or special needs

- type of client with whom financial planner typically deals (e.g. individuals just entering the workforce, individuals accumulating for retirement, retirees, professionals and medical practitioners, self-employed individuals, etc.)
- average net worth or investable assets of clients with whom financial planner deals (categorized by dollar thresholds)
- full history of any disciplinary hearings the financial planner has undergone (including the initial hearing notice, details of the alleged violation or breach that prompted the hearing, when the hearing(s) took place, the outcome of the hearing(s) and if applicable, the sanctions imposed, etc.)
- unpaid fines, disgorgement and costs resulting from enforcement proceedings

BASIC AND ADVANCED SEARCH FUNCTIONS

In addition, the database should contain a basic and an advanced search feature that allows users to target specific information about a financial planner or that narrows the list of financial planners the user wants to consider based on selected criteria.

3660 HURONTARIO STREET, SUITE 600, MISSISSAUGA, ONTARIO L5B 3C4
TOLL-FREE: 1-866-635-5526 FAX: (647) 723-6457 CIFP WEB SITE: WWW.CIFP.CA

At a minimum, the basic and advanced search functions should allow users of the central database to access financial planners based on:

- the name of the financial planner
- the city in which the financial planner is located
- the firm by whom the financial planner is employed
- a particular language in which financial planning services are offered
- an area of focus and/or expertise of financial planning services offered (refer to list above)
- client characteristics (refer to 'type of client' list above)
- average net worth or investable assets of clients with whom the financial planner deals
- disciplinary hearings (past cases, current cases, cases under review, Canadian Securities Administrators Disciplined List if disciplined by a provincial securities administrator, etc.)

3.2. Do you foresee any specific concerns with the creation or maintenance of a central database?

PROTECTING AGAINST SECURITY BREACHES AND BALANCING PRIVACY LAWS

In principle, CIFP is supportive of a central database. The primary concern CIFP has with the creation or maintenance of such a site revolves around the potential for security breaches. Any system the Ontario Ministry of Finance decides to implement must have sufficient safeguards to counter cyber-attacks, identity theft and any unauthorized manipulation of the system and the data contained within it.

As much as the proposed central database will be a public site and will be accessible to all Ontarians, it must be recognized that it will hold information about financial planners that is personal and potentially, sensitive in nature. As such, the data that is uploaded must be balanced and respectful of privacy laws so as to uphold the rights of planners. The government must be diligent to ensure only information about a financial planner that is material to the mandate of protecting consumers is posted and maintained on the site. The government must be equally vigilant to delete information about a financial planner when such information ceases to offer any value to the public.

TIMELY SUBMISSION OF DATA AND REGULAR UPDATE OF PLANNER INFORMATION

Under the current system, information about a financial planner that is relevant to potential consumers of their services is scattered over multiple sites. This places an unfair burden on the public to determine what information they should be looking for and where they need to go to obtain it. As proposed under this framework, a 'one-stop-shop' where this information would be readily attainable by the public would be a significant improvement. However, this can only work if regulatory and credentialing bodies are unified in this vision. Presumably the government has already made strides in this regard with the bodies involved or, at least, has the confidence that when approached, the bodies will be open to a harmonized system. If this is in fact the case, for the system to be effective and meaningful to consumers, it is incumbent that each

3660 HURONTARIO STREET, SUITE 600, MISSISSAUGA, ONTARIO L5B 3C4
TOLL-FREE: 1-866-635-5526 FAX: (647) 723-6457 CIFP WEB SITE: WWW.CIFP.CA

organization not just commit to submitting information to the central database but, that they do so in a timely manner. The value of the database and its objective of increasing consumer confidence will be severely attenuated if the bodies providing information are on different schedules or, they do not share the same urgency in ensuring the database contains the most up-to-date information at all times.

Just as important as getting regulatory and credentialing bodies to submit information to the database in a timely fashion, once on the system, the information then needs to be updated regularly and frequently. If consumer protection is the focus, Ontarians must have confidence knowing the information they are viewing on the database is current. The public interest will not be well-served if, for example, a recent disciplinary hearing to which a financial planner has been subject or a change of status in the recognized credential he or she holds is not reflected in the database within a reasonable timeframe. An update cycle that is too long will effectively make the information on the database stale dated and poses the risk of misleading consumers.

Notwithstanding the government is dependent on other parties to populate the database, CIFP would ideally like to see regular updates to the central database as close as possible to real time but, at a minimum on a monthly basis.

3660 Hurontario Street, Suite 600, Mississauga, Ontario L5B 3C4
Toll-free: 1-866-635-5526 Fax: (647) 723-6457 CIFP Web site: www.CIFP.ca

OTHER QUESTION

4.1. The government is committed to strengthening consumer protection while supporting innovation and growth in the financial services sector. In recent years, there has been rapid growth in the creation and provision of technological innovations related to financial planning. Would the proposals outlined in this consultation paper impact the creation and provision of these more innovative aspects or kinds of services? If so, how?

CIFP agrees the introduction of a new framework should factor in the dynamic and ever-evolving nature of the financial services industry. Not only should the proposals outlined in this consultation paper be valid for the current landscape but, should also have sufficient latitude to accommodate the inevitable changes brought about by ongoing innovation in technology.

To this end, the concern CIFP has is ensuring the new framework does not place unwarranted restrictions on automated devices and algorithms. If an automated service meets the standards set out for it, it should not be penalized or barred from use. Standards for changing technologies should be measured against those set for a human with modifications to account for obvious differences.

Most importantly, the assessment of automated services must include provisions that have been taken to counter security breaches in all of its many forms.

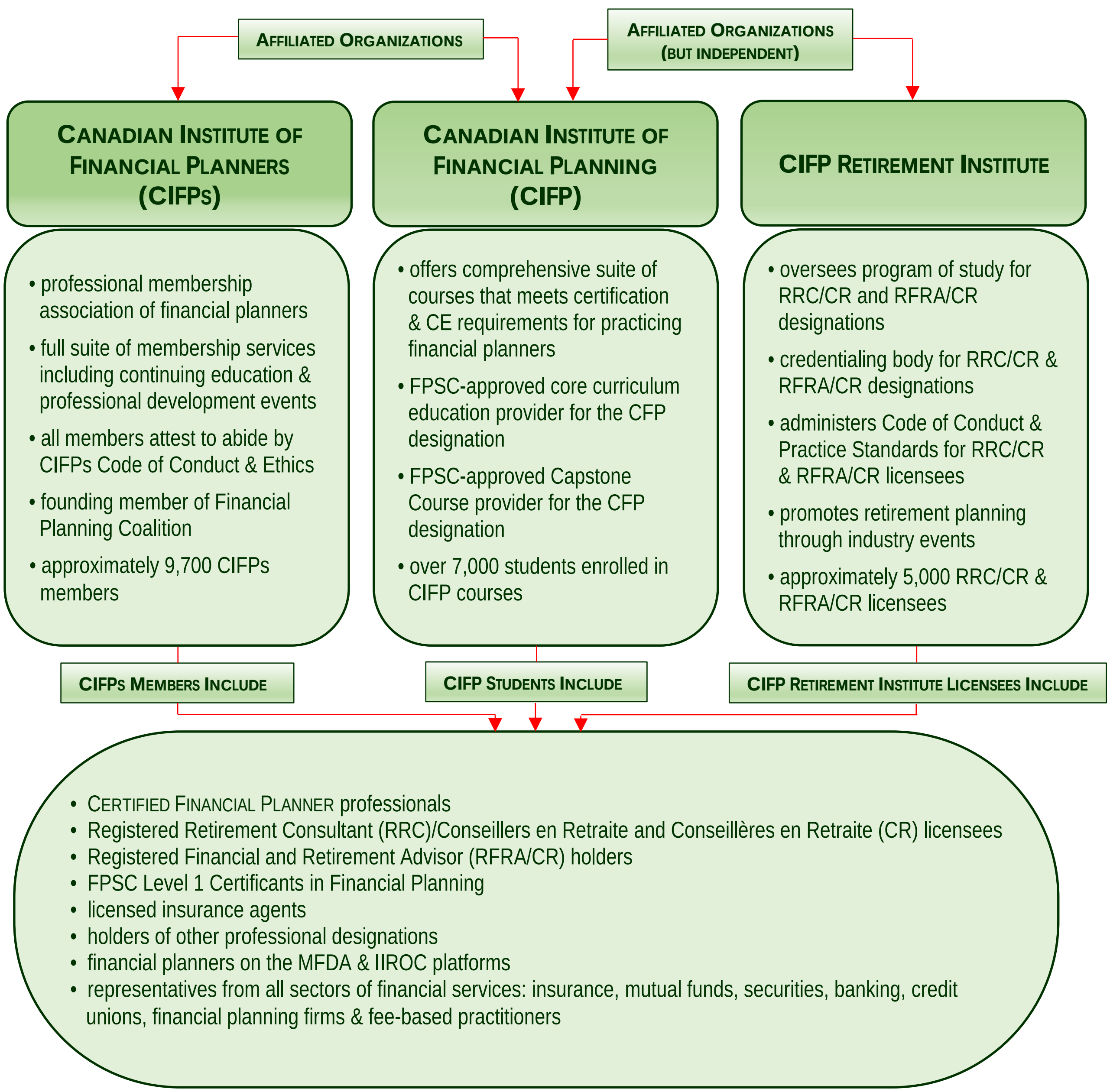
3660 HURONTARIO STREET, SUITE 600, MISSISSAUGA, ONTARIO L5B 3C4
TOLL-FREE: 1-866-635-5526 FAX: (647) 723-6457 CIFP WEB SITE: WWW.CIFP.CA

Appendix – Questionnaire for Credentialing Bodies

Organizational Structure

Our company is comprised of three affiliated, but independent, organizations:

- The Canadian Institute of Financial Planning (CIFP)
- CIFP Retirement Institute
- The Canadian Institute of Financial Planners (CIFPs)



3660 Hurontario Street, Suite 600, Mississauga, Ontario L5B 3C4
Toll-free: 1-866-635-5526 Fax: (647) 723-6457 CIFP Web site: www.CIFP.ca

The collective mandate of CIFP, CIFPs and the CIFP Retirement Institute is to provide accessible, unbiased education in the interests of promoting financial planning and the financial services industry.

Importantly, while the organizations have affiliations, they operate as separate and independent bodies. In particular, The Canadian Institute of Financial Planners and the CIFP Retirement Institute have discrete policies with regards to ethics, member conduct and disciplinary procedures.

THE CANADIAN INSTITUTE OF FINANCIAL PLANNING

Since 1972, the Canadian Institute of Financial Planning has been dedicated to developing quality, accredited courses based on the highest educational standards for the benefit of financial planning professionals as well as the general public.

CIFP offers a comprehensive suite of courses that satisfy certification and continuing education requirements for those practicing in the financial services sector.

CIFP is an FPSC-approved core curriculum education provider as well as an FPSC-approved Capstone Course provider for individuals pursuing CFP certification. As an FPSC-approved CE provider, CIFP titles qualify as approved continuing education activities to support the CERTIFIED FINANCIAL PLANNER designation. [1] Our CE titles are also recognized by the Investment Industry Regulatory Organization of Canada (IIROC) licensing requirements for registered representatives and individuals who are licensed to sell insurance products.

CIFP delivers customized financial education and training programs to many organizations in the financial services industry including the Canadian chartered banks and credit unions, national wealth management firms and national insurance companies. CIFP education programs are also frequently subscribed to by non-industry individuals who are simply seeking to enhance their personal knowledge and to improve financial literacy. CIFP has over 7,000 students.

NOTE: The Canadian Institute of Financial Planning is an accredited education provider for individuals who wish to attain the CERTIFIED FINANCIAL PLANNER designation. CIFP does not administer the CFP designation. The credentialing body for the CFP designation in Canada is Financial Planning Standards Council.

[1] CIFPs does not award the CFP® and CERTIFIED FINANCIAL PLANNER® designation. The right to use the marks CFP and CERTIFIED FINANCIAL PLANNER is granted under license by Financial Planning Standards Council to persons who have met its education standards, passed the FPSC Certified Financial Planner examinations, satisfied a work experience requirement and who have agreed to abide by the FPSC Code of Ethics.

CFP®, CERTIFIED FINANCIAL PLANNER® and CFP (with flame logo) ® are certification trademarks owned outside the U.S. by Financial Planning Standards Board Ltd. (FPSB). Financial Planning Standards Council is the marks licensing authority for the CFP marks in Canada, through agreement with FPSB.

3660 HURONTARIO STREET, SUITE 600, MISSISSAUGA, ONTARIO L5B 3C4
TOLL-FREE: 1-866-635-5526 FAX: (647) 723-6457 CIFP WEB SITE: WWW.CIFP.CA

CIFP RETIREMENT INSTITUTE

The CIFP Retirement Institute was launched in 2013.

The Institute is responsible for administering the following designations:

- Registered Retirement Consultant (RRC®)/Conseillers en Retraite and Conseillères en Retraite (CR®)
- Registered Financial and Retirement Advisor (RFRA/CR®)

The CIFP Retirement Institute oversees the standards for these credentials and it regularly reviews and updates the RRC/CR and RFRA/CR programs of study and the accompanying examination. The Institute also develops, maintains and grades the retirement plan that is part of the education requirement for successful completion of the RRC/CR and RFRA/CR programs.

For holders of the Registered Retirement Consultant/Conseillers en Retraite and Conseillères en Retraite and Registered Financial and Retirement Advisor credentials, the CIFP Retirement Institute administers the Code of Conduct and holds disciplinary hearings as required. It has also developed retirement planning Practice Standards that set out and clarify the responsibilities and expectations for both the RRC/CR and RFRA/CR holder and the clients he or she serves.

Approximately 5,000 individuals hold the RRC/CR and RFRA/CR designations. These individuals provide for the pre- and post-retirement and lifestyle planning needs of Canadians.

Mission to develop the knowledge base of retirement planning

The Retirement Institute also has a mission to research and develop the knowledge base of retirement planning and is evolving into the pre-eminent source to obtain unbiased, high quality, topical information about retirement and retirement planning. Its Web site hosts information that expands on the technical educational content already contained in the RRC/CR and RFRA/CR programs courseware with a focus on the more *qualitative* aspects of retirement that may not be addressed in a typical client-planner meeting or that may not be discussed in sufficient detail because far too often the client-planner interaction revolves around all things quantitative. Topics such as lifestyle planning, client engagement skills, retirement trends, considerations as part of estate and succession planning, how to prepare for retirement and intergenerational wealth transfers are addressed. It also conducts research and surveys on retirement planning topics and issues for the benefit and enlightenment of the Canadian public.

The Institute promotes retirement planning through industry events such as the Canadian Institute of Financial Planners Annual National Conference. The Conference features a distinct retirement planning stream created by the Institute that highlights lifestyle planning. The Institute also contributes topic ideas and sessions for other professional development workshops including the CIFPs Professional Days and chapter educational events.

3660 HURONTARIO STREET, SUITE 600, MISSISSAUGA, ONTARIO L5B 3C4
TOLL-FREE: 1-866-635-5526 FAX: (647) 723-6457 CIFP WEB SITE: WWW.CIFP.CA

New developments in the RRC/CR and RFRA/CR courseware

As of January 1, 2019, three additional courses dealing with Lifestyle Planning, Client Engagement Skills and Inter-generational Wealth Transfers will be added to the RRC and RFRA programs. These new courses must be completed in addition to the CIFP Retirement Planning Certificate Course or the Registered Financial and Retirement Advisor Course Parts I and II on the path to RRC/CR or RFRA/CR certification.

It is anticipated that this new content represents an additional 25 hours of study time to the current suggested program study time of 175 to 200 hours.

THE CANADIAN INSTITUTE OF FINANCIAL PLANNERS

In 2002, The Canadian Institute of Financial Planners, a professional, member association, was started by financial planners to provide industry professionals with the highest quality continuing education and support services. CIFPs is the premier financial planning association in Canada currently representing approximately 9,700 financial planners and retirement planners.

CIFPs members are predominantly practising financial planners and include individuals registered as dealing representatives who are agents of firms registered as mutual fund dealers (members of the Mutual Fund Dealers Association of Canada) or as investment dealers (members of the Investment Industry Regulatory Organization of Canada). CIFPs members can also be licensed insurance agents and many members are duly licensed as securities dealing representatives and as insurance agents. Our members operate in all provinces and territories of Canada and individual members are registered and licensed in each of the provinces and territories where they work with clients residing in those provinces and territories. CIFPs members represent all sectors of the financial services industry including insurance, mutual funds, securities, banking, credit unions, financial planning firms and fee-based practitioners.

CIFPs also provides a full suite of membership programs including professional development. Annual continuing education requirements in support of the CERTIFIED FINANCIAL PLANNER designation can be met in its entirety through the catalogue of CIFPs CE titles pre-approved by Financial Planning Standards Council. In addition, our CE offerings can be used by those on the securities platform and by licensed insurance agents.

Other membership benefits include a *Practitioners Guide* aligned with the practice standards set out by FPSC, various informational tools, resources and forums, such as the CIFPs Professional Days, a regulatory bulletin service provided by Borden Ladner Gervais ("BLG"), an evolving local chapter network and the only national financial planning conference in Canada.

All members of CIFPs attest to abide by the CIFPs Code of Conduct and Ethics.

CIFPs is a founding member of the Financial Planning Coalition which also includes the Institute of Advanced Financial Planners, Financial Planning Standards Council and the Institut québécois de planification financière. The Financial Planning Coalition has developed and is now promoting a common set of financial planning standards for Canada.

3660 HURONTARIO STREET, SUITE 600, MISSISSAUGA, ONTARIO L5B 3C4
TOLL-FREE: 1-866-635-5526 FAX: (647) 723-6457 CIFP WEB SITE: WWW.CIFP.CA

General Information

1. How many members do you have in Canada?

As of April 16, 2018, the total number of members by organization is summarized in the following table.

Organization	Total Number of Members in Canada
The Canadian Institute of Financial Planners (CIFPs)	9,696
CIFP Retirement Institute	5,010

2. How many members do you have in Ontario?

As of April 16, 2018, the total number of Ontario members by organization is summarized in the following table.

Organization	Total Number of Members in Ontario
The Canadian Institute of Financial Planners (CIFPs)	5,049
CIFP Retirement Institute	2,279

3. Please list the credential(s) provided by your organization.

The CIFP Retirement Institute oversees and administers the following credentials:

- Registered Retirement Consultant (RRC)/Conseillers en Retraite and Conseillères en Retraite (CR)
- Registered Financial and Retirement Advisor (RFRA/CR)

Overview of Registered Retirement Consultant (RRC)/Conseillers en Retraite and Conseillères en Retraite (CR) Program

The CIFP Registered Retirement Consultant Program equips financial planners with the comprehensive and specialized knowledge they need to discuss retirement and estate planning concepts and strategies with clients. Upon completion of the Program and fulfilling non-educational requirements, the individual will earn the license to use the prestigious Registered Retirement Consultant-RRC® and titles.

New developments in the RRC/CR courseware

As of January 1, 2019, three additional courses dealing with Lifestyle Planning, Client Engagement Skills and Inter-generational Wealth Transfers will be added to the RRC/CR

3660 Hurontario Street, Suite 600, Mississauga, Ontario L5B 3C4
Toll-free: 1-866-635-5526 Fax: (647) 723-6457 CIFP Web site: www.CIFP.ca

program. These new courses must be completed in addition to the CIFP Retirement Planning Certificate Course on the path to RRC/CR certification.

It is anticipated that this new content represents an additional 25 hours of study time to the current suggested program study time of 175 to 200 hours.

Program Pre-requisite: None
Suggested Program study time (including retirement plan): 175 – 200 hours
Language: English and French; Québec-specific version in English and French
Proctored Course Examination: maximum of 3 hours
Course delivery: online; optional printed text available for purchase

To attain full RRC/CR certification, candidates must complete educational and non-educational components:

Educational components

- successful completion of the CIFP Retirement Planning Certificate Course which entails:
  - submitting all end-of-unit formal assessments
  - attaining a minimum grade of 60% on the proctored final course examination
  - attaining a minimum cumulative course grade of 60% (i.e. based on a weighting of 30% for the end-of-unit formal assessments and 70% for the final examination)
- creation and defense of a retirement plan based on a detailed case study that is evaluated by the CIFP Retirement Institute

Non-educational components

RRC/CR licensees must:

- have a minimum of one year of qualifying work experience as adjudged by the CIFP Retirement Institute
- attest to abide by terms and conditions of the RRC® and CR® Certification Marks License Agreement
- attest to abide by the Code of Conduct on the RRC/CR certification application form
- attest to abide by the Practice Standards on the RRC/CR certification application form

OVERVIEW OF REGISTERED FINANCIAL AND RETIREMENT ADVISOR (RFRA/CR) PROGRAM

The Registered Financial and Retirement Advisor Program is similar in scope to the CIFP Registered Retirement Consultant Program in that it gives the learner comprehensive and specialized knowledge of retirement and estate planning concepts and strategies. The distinction

3660 HURONTARIO STREET, SUITE 600, MISSISSAUGA, ONTARIO L5B 3C4
TOLL-FREE: 1-866-635-5526 FAX: (647) 723-6457 CIFP WEB SITE: WWW.CIFP.CA

is that that the RFRA Program is customized for individuals operating as financial planners in one of Canada's chartered banks.

Completion of the Program and meeting non-educational requirements gives the advisor the right to use the Registered Financial and Retirement Advisor (RFRA/CR) designation—a certification that falls under the RRC/CR credential but, is unique to the chartered banks.

New developments in the RFRA/CR courseware

As of January 1, 2019, three additional courses dealing with Lifestyle Planning, Client Engagement Skills and Inter-generational Wealth Transfers will be added to the RFRA/CR program. These new courses must be completed in addition to the Registered Financial and Retirement Advisor Course Parts I and II on the path to RFRA/CR certification.

It is anticipated that this new content represents an additional 25 hours of study time to the current suggested program study time of 175 to 200 hours.

Program Pre-requisite: None
Suggested Program study time (including embedded retirement plan): 175 – 200 hours
Language: English and French; Québec-specific version in English and French
Proctored Course Examination: maximum of 3 hours
Course delivery: online; optional printed text available for purchase

To attain full RFRA/CR certification, candidates must complete educational and non-educational components:

Educational components

- successful completion of the Registered Financial and Retirement Advisor Course Parts I and II which entails:
  - submitting all end-of-unit formal assessments
  - attaining a minimum grade of 60% on the proctored final course examination
  - attaining a minimum cumulative course grade of 60% (i.e. based on a weighting of 30% for the end-of-unit formal assessments and 70% for the final examination)
- creation of a retirement plan based on a detailed case study that is evaluated by the CIFP Retirement Institute

Non-educational components

RFRA/CR holders must:

- have a minimum of one year of qualifying work experience as adjudged by the CIFP Retirement Institute

3660 HURONTARIO STREET, SUITE 600, MISSISSAUGA, ONTARIO L5B 3C4
TOLL-FREE: 1-866-635-5526 FAX: (647) 723-6457 CIFP WEB SITE: WWW.CIFP.CA

- attest to abide by terms and conditions of the RFRA® and CR® Certification Marks License Agreement
- attest to abide by the Code of Conduct on the RFRA/CR certification application form
- attest to abide by the Practice Standards on the RFRA/CR certification application form

3660 HURONTARIO STREET, SUITE 600, MISSISSAUGA, ONTARIO L5B 3C4
TOLL-FREE: 1-866-635-5526 FAX: (647) 723-6457 CIFP WEB SITE: WWW.CIFP.CA

MEMBERSHIP INFORMATION

4. In Ontario, what percentage of your members are not registered and/or licensed under either Financial Services Commission of Ontario (FSCO) or the Ontario Securities Commission (OSC)?

For many reasons, it is difficult to provide a precise number that answers this question however, our best estimate (which should be fairly accurate) of the percentage of CIFPs and CIFP Retirement Institute members who are not registered and/or licensed under either Financial Services Commission of Ontario (FSCO) or the Ontario Securities Commission (OSC) is between 1% and 5%.

Members of both organizations may have financial planning designations but, not necessarily hold out as financial planners (e.g. lawyers, accountants, back office support staff and assistants, compliance, etc.). Approximately 1% of our members would not be supervised by FSCO or the OSC. This group would typically be made up of individuals with a legal or accounting background. If individuals with a financial planning credential who may be involved in the advice conversation with clients but, who do not hold out as financial planners given that their primary function is to provide support services are included, approximately 2% - 5% of our total membership would not be subject to supervision by FSCO or the OSC.

5. Does your organization focus on financial planning? If yes, please provide an explanation.

Yes, all three organizations (i.e. The Canadian Institute of Financial Planning, the CIFP Retirement Institute and The Canadian Institute of Financial Planners) focus on unbiased, financial planning.

THE CANADIAN INSTITUTE OF FINANCIAL PLANNING

For over 45 years, the Canadian Institute of Financial Planning has been dedicated to developing quality, accredited courses based on the highest standards of education for the benefit of financial planning professionals as well as the general public. CIFP plays an integral role in the education of financial planners across Canada.

CIFP offers a comprehensive suite of courses that satisfies certification and professional development requirements for those practicing in the financial services sector.

CIFP is an FPSC-approved core curriculum education provider as well as an FPSC-approved Capstone Course provider for individuals pursuing CFP certification. As an FPSC-approved CE provider, CIFP titles qualify as approved continuing education activities to support the

3660 HURONTARIO STREET, SUITE 600, MISSISSAUGA, ONTARIO L5B 3C4
TOLL-FREE: 1-866-635-5526 FAX: (647) 723-6457 CIFP WEB SITE: WWW.CIFP.CA

CERTIFIED FINANCIAL PLANNER designation. [2] Our CE titles are also recognized by the Investment Industry Regulatory Organization of Canada (IIROC) licensing requirements for registered representatives and individuals who are licensed to sell insurance products.

CIFP delivers customized financial education and training programs to many organizations in the financial services industry including the Canadian chartered banks and credit unions, national wealth management firms and national insurance companies. CIFP education programs are also frequently subscribed to by non-industry individuals who are simply seeking to enhance their personal knowledge and to improve financial literacy.

NOTE: The Canadian Institute of Financial Planning is an accredited education provider for individuals who wish to attain the CERTIFIED FINANCIAL PLANNER designation. CIFP does not administer the CFP designation. The credentialing body for the CFP designation in Canada is Financial Planning Standards Council.

CIFP RETIREMENT INSTITUTE

The CIFP Retirement Institute is responsible for administering the following designations:

- Registered Retirement Consultant (RRC®)/Conseillers en Retraite and Conseillères en Retraite (CR®)
- Registered Financial and Retirement Advisor (RFRA/CR®)

RRC/CR and RFRA/CR licensees provide for the pre- and post-retirement and lifestyle planning needs of Canadians.

The CIFP Retirement Institute oversees the standards for these credentials and it regularly reviews and updates the RRC/CR and RFRA/CR programs of study and the accompanying examination. The Institute develops, maintains and grades the retirement plan that is part of the education requirement for successful completion of the RRC/CR and RFRA/CR programs. The Institute also provides continuing education courses enabling licensees to meet their annual professional development requirements.

The Retirement Institute also has a mission to research and develop the knowledge base of retirement planning and is evolving into the pre-eminent source to obtain unbiased, high quality, topical information about retirement and retirement planning. Its Web site hosts information that expands on the technical educational content already contained in the RRC/CR and RFRA/CR programs courseware with a focus on the more *qualitative* aspects of retirement that may not be

---

[2] CIFP does not award the CFP® and CERTIFIED FINANCIAL PLANNER® designation. The right to use the marks CFP and CERTIFIED FINANCIAL PLANNER is granted under license by FPSC to persons who have met its education standards, passed the FPSC Certified Financial Planner examinations, satisfied a work experience requirement and who have agreed to abide by the FPSC Code of Ethics.

CFP®, CERTIFIED FINANCIAL PLANNER® and CFP (with flame logo) ® are certification trademarks owned outside the U.S. by Financial Planning Standards Board Ltd. (FPSB). Financial Planning Standards Council is the marks licensing authority for the CFP marks in Canada, through agreement with FPSB.

addressed in a typical client-planner meeting or that may not be discussed in sufficient detail because far too often the client-planner interaction revolves around all things quantitative. Topics such as lifestyle planning, client engagement skills, retirement trends, considerations as part of estate and succession planning, how to prepare for retirement and intergenerational wealth transfers are addressed. It also conducts research and surveys on retirement planning topics and issues for the benefit and enlightenment of the Canadian public.

The Institute promotes retirement planning through industry events such as the Canadian Institute of Financial Planners Annual National Conference. The Conference features a distinct retirement planning stream created by the Institute that highlights lifestyle planning. The Institute also contributes topic ideas and sessions for other professional development workshops including the CIFPs Professional Days and chapter educational events.

New developments in the RRC/CR and RFRA/CR courseware

As of January 1, 2019, three additional courses dealing with Lifestyle Planning, Client Engagement Skills and Inter-generational Wealth Transfers will be added to the RRC and RFRA programs. These new courses must be completed in addition to the CIFP Retirement Planning Certificate Course or the Registered Financial and Retirement Advisor Course Parts I and II on the path to RRC/CR or RFRA/CR certification.

It is anticipated that this new content represents an additional 25 hours of study time to the current suggested program study time of 175 to 200 hours.

THE CANADIAN INSTITUTE OF FINANCIAL PLANNERS

The Canadian Institute of Financial Planners, a professional, member association, provides industry professionals with the highest quality continuing education and support services.

CIFPs provides a full suite of membership programs including professional development through online courses, workshops and an annual national conference. Continuing education requirements in support of the CERTIFIED FINANCIAL PLANNER designation can be met in its entirety through the catalogue of CIFPs CE titles pre-approved by Financial Planning Standards Council. In addition, our CE offerings can be used by those on the securities platform and by licensed insurance agents.

CIFPs also offers practitioner support services, including mentoring, best practices and technical publications, regulatory support and advocacy services on issues that have the potential to impact financial planners and the public in general.

6. Are members required to renew their membership on a periodic (e.g., annual) basis?

Yes, membership in both the CIFP Retirement Institute and The Canadian Institute of Financial Planners requires renewal on an annual basis.

3660 HURONTARIO STREET, SUITE 600, MISSISSAUGA, ONTARIO L5B 3C4
TOLL-FREE: 1-866-635-5526 FAX: (647) 723-6457 CIFP WEB SITE: WWW.CIFP.CA

Part of the renewal process for both organizations requires the member to make a series of attestations:

CIFP RETIREMENT INSTITUTE

- The RRC/CR or RFRA/CR licensee attests to continue to abide by the terms and conditions of the RRC and CR or RFRA and CR Certification Marks License Agreement.
- The RRC/CR or RFRA/CR licensee attests to conduct himself or herself in a manner that is consistent with the principles outlined in the CIFP Retirement Institute Code of Conduct and the RRC/CR or RFRA/CR licensee has answered 'NO' to a series of self-declaration questions at the end of the document.

  Please refer to the *CIFP Retirement Institute Code of Conduct* document as part of the response for questions [11(a)] and [11(c)].
- The RRC/CR or RFRA/CR licensee attests to conduct himself or herself in a manner that is consistent with the guidelines set out in the CIFP Retirement Institute Practice Standards.

  Please refer to the *CIFP Retirement Institute Practice Standards* document as part of the response for question [11(c)].
- The RRC/CR or RFRA/CR licensee attests to fufill his or her annual continuing education requirements.

THE CANADIAN INSTITUTE OF FINANCIAL PLANNERS

- The CIFPs member attests to conduct himself or herself in a manner that is consistent with the principles outlined in the CIFPs Code of Conduct and the member has answered 'NO' to a series of self-declaration questions at the end of the document.

3660 HURONTARIO STREET, SUITE 600, MISSISSAUGA, ONTARIO L5B 3C4
TOLL-FREE: 1-866-635-5526 FAX: (647) 723-6457 CIFP WEB SITE: WWW.CIFP.CA

COMPLIANCE AND DISCIPLINARY INFORMATION

COMPLIANCE MONITORING

7(a). Do you have a process to monitor compliance with your code of ethics or standard of conduct?

Yes, both the CIFP Retirement Institute and The Canadian Institute of Financial Planners have processes to monitor compliance with their respective code of ethics and standards of conduct.

As with most regulatory and credentialing bodies, the Institute and CIFPs rely in large part on the member self-reporting any breaches or violations as they relate to ethics or practice standards. To this end, as part of the annual membership renewal process, members must attest to abide to a code of ethics and a code of conduct. In addition, they are asked a series of questions relating to criminal misconduct, whether or not the member is subject to a disciplinary hearing and whether the member has been found guilty of misappropriation of funds, fraud or misrepresentation in a civil proceeding.

In addition to self-reporting, the CIFP Retirement Institute and The Canadian Institute of Financial Planners mirror the compliance monitoring procedures adopted by other regulatory and credentialing bodies including The Mutual Fund Dealers Association of Canada (MFDA), the Investment Industry Regulatory Organization of Canada (IIROC) and Financial Planning Standards Council (FPSC).

7(b). Do you conduct compliance reviews?

Yes, both the CIFP Retirement Institute and The Canadian Institute of Financial Planners conduct compliance reviews. There are several mechanisms by which both organizations monitor compliance including (but, not limited to):

- complaints from the public or another member
- infractions committed by the member that are published by bodies such as the MFDA or provincial insurance regulators
- errors and omissions claims by the member
- self-reporting by the member during the annual membership renewal process or at another time

7(b)(i). If yes: How many have you conducted in the past 3 years?

Between the CIFP Retirement Institute and The Canadian Institute of Financial Planners, five compliance reviews have been conducted in the past three years.

3660 HURONTARIO STREET, SUITE 600, MISSISSAUGA, ONTARIO L5B 3C4
TOLL-FREE: 1-866-635-5526 FAX: (647) 723-6457 CIFP WEB SITE: WWW.CIFP.CA

7(b)(ii). Do you ever review the "financial plans" prepared for clients by your members?

No, the compliance cases reviewed were not tied to financial plans. This said, both the CIFP Retirement Institute and The Canadian Institute of Financial Planners have the ability and processes in place that allow for the review of financial plans if required.

7(b)(iii). What tools do you have to deal with issues identified during compliance reviews?

The primary tool to deal with issues identified during compliance reviews is the Member Conduct Committee.

A holder of the RRC/CR or RFRA/CR credential who has been found to have breached his or her professional or ethical responsibilities is subject to disciplinary action. Such action may include the revocation of his or her right to use the certification marks associated with the designation following due process.

In all instances where a breach of professional or ethical responsibilities has been alleged, the CIFP Retirement Institute will first take steps to speak to the individual. To the extent possible, an early resolution will be sought with a view towards educating and mentoring the planner rather than administering severe disciplinary action.

For cases that are of a more serious nature, an investigation may be warranted and the matter may need to be brought before the Member Conduct Committee—an **independent** panel, headed by a Chair and comprised of RRC/CR and RFRA/CR licensees, academics and financial planning experts. If the Committee determines that a formal disciplinary hearing is required based on a cross-reference of the alleged actions of the planner against the Code of Conduct and Practice Standards, the member will be notified and a Hearing Panel will adjudicate the matter.

The CIFP Retirement Institute reserves the right to revoke the defendant's use of the certification marks if the Hearing Panel confirms a breach of ethics or professional responsibility.

3660 HURONTARIO STREET, SUITE 600, MISSISSAUGA, ONTARIO L5B 3C4
TOLL-FREE: 1-866-635-5526 FAX: (647) 723-6457 CIFP WEB SITE: WWW.CIFP.CA

DISCIPLINARY PROCEDURES

8(a). How do you handle complaints about your members?

Complaints about members of the CIFP Retirement Institute or The Canadian Institute of Financial Planners are taken seriously.

Depending on the severity of the complaint, the issue may be resolved by the CIFP Retirement Institute or CIFPs directly. If the complaint is adjudged to be of a more serious nature, the case will be referred to the Member Conduct Committee—an **independent** panel, headed by a Chair and comprised of RRC/CR and RFRA/CR licensees, CERTIFIED FINANCIAL PLANNER professionals, academics and financial planning experts—who will determine whether a disciplinary hearing is necessary. If that is in fact the case, a Hearing Panel will preside over the hearing and will render a judgement.

8(b). Do you have a disciplinary process?

Yes, both CIFP Retirement Institute and The Canadian Institute of Financial Planners has a disciplinary process.

8(b)(i). If yes: Please briefly explain your disciplinary process.

Complaints must be made in writing and accompanying documentation and facts must be provided to substantiate the complaint.

The CIFP Retirement Institute will initially investigate the complaint to determine if it is warranted. If the complaint is deemed to be legitimate, the member is notified and he or she is given 30 days to respond to the complaint in writing. To the extent possible, an early resolution will be sought with a view towards educating and mentoring the planner rather than administering severe disciplinary action.

If however, the allegations against the member are more serious in nature, the Institute or CIFPs as the case may be, will refer the matter to the Member Conduct Committee. The Committee will contact the member if it has questions and/or requires clarification on a particular aspect of the complaint and/or the member’s response. The member has 60 days to respond to questions from the Committee.

Based on the response from the member and the facts of the case, the Committee can:

- dismiss the matter if the Committee does not see grounds for further action
- dismiss the matter with a letter of guidance to the member
- advise the member that he or she must appear before the Committee for a formal disciplinary hearing

3660 HURONTARIO STREET, SUITE 600, MISSISSAUGA, ONTARIO L5B 3C4
TOLL-FREE: 1-866-635-5526 FAX: (647) 723-6457 CIFP WEB SITE: WWW.CIFP.CA

If a hearing is set, a three-person Hearing Panel will be selected from among individuals that comprise the Member Conduct Committee. The Chair will be one of the members and will also serve as the Chair of the Hearing Panel. The hearing can be an in-person meeting or can be administered by way of written submissions.

Following an evaluation of the facts of the case, the Hearing Panel will render a judgement to either dismiss the matter or will make a determination that the member is guilty of misconduct. A finding of misconduct may result in sanctions against the member as detailed in the answer to question 8(e).

8(b)(ii). How are disciplinary proceedings initiated?

Disciplinary proceedings against members may be initiated through a variety of triggers including (but, not limited to):

- complaints from the public or another member
- infractions committed by the member that are published by bodies such as the MFDA or provincial insurance regulators
- errors and omissions claims by the member
- self-reporting by the member during the annual membership renewal process or at another time

8(b)(iii). Do you have an investigatory process? If yes, please briefly explain.

Yes, the CIFP Retirement Institute does have an investigatory process.

Based on receiving a complaint about a member via any number of triggers previously mentioned or, based on first-hand knowledge of member misconduct, the Institute can initiate an investigation into the member’s actions.

The member will be notified in writing of the alleged misconduct and will be given 30 days to provide a response. Based on the explanation provided by the member, the Institute will determine whether it can deal with the matter or if it needs to be escalated to the Member Conduct Committee.

8(b)(iv). What are the possible outcomes of this process?

The possible outcomes of the investigatory process is a determination by the Institute to either dismiss the complaint against the member, for the Institute to handle the matter as it is relatively straightforward and minor or to refer the matter to the Member Conduct Committee to assess whether a formal hearing is required.

3660 HURONTARIO STREET, SUITE 600, MISSISSAUGA, ONTARIO L5B 3C4
TOLL-FREE: 1-866-635-5526 FAX: (647) 723-6457 CIFP WEB SITE: WWW.CIFP.CA

The possible outcomes of the disciplinary process include:

- dismissing the matter outright if the CIFP Retirement Institute or the Member Conduct Committee do not see grounds for further action
- dismiss the matter with a letter of guidance to the member
- imposing a plan of action to remedy the misconduct with a view towards pre-empting a repetition of the misconduct
- a temporary suspension of the member's right to use the RRC/CR or RFRA/CR marks
- a temporary or permanent suspension of the member's certification
- a permanent ban on seeking certification and the use of the marks

8(b)(v). Who are the decision makers?

The Member Conduct Committee is the first decision maker. The Committee is an **independent** panel, headed by a Chair and comprised of RRC/CR and RFRA/CR licensees, CERTIFIED FINANCIAL PLANNER professionals, academics and financial planning experts.

When more serious cases are referred to the Committee by the CIFP Retirement Institute, its role is to determine whether a disciplinary hearing is necessary. If that is in fact the case, a three-person Hearing Panel—the second decision maker—will be selected from among individuals that comprise the Member Conduct Committee. The Chair will be one of the members and will also serve as the Chair of the Hearing Panel.

Following an evaluation of the facts of the case, the Hearing Panel will render a judgement to either dismiss the matter or will make a determination that the member is guilty of misconduct.

8(c). Do you have a disciplinary hearing process?

Yes, the CIFP Retirement Institute does have a disciplinary hearing process.

8(c)(i). If yes: Please briefly explain your hearing process.

The CIFP Retirement Institute will initially investigate a complaint against a member to determine if it is justified. If the allegations against the member are more serious in nature, the Institute will refer the matter to the Member Conduct Committee. The Committee will contact the member if it has questions and/or requires clarification on a particular aspect of the complaint and/or the member's response. The member has 60 days to respond to questions from the Committee.

Based on the response from the member and the facts of the case, the Committee can:

- dismiss the matter if the Committee does not see grounds for further action
- dismiss the matter with a letter of guidance to the member

3660 HURONTARIO STREET, SUITE 600, MISSISSAUGA, ONTARIO L5B 3C4
TOLL-FREE: 1-866-635-5526 FAX: (647) 723-6457 CIFP WEB SITE: WWW.CIFP.CA

- advise the member that he or she must appear before the Committee for a formal disciplinary hearing

If a hearing is set, a three-person Hearing Panel will be selected from among individuals that comprise the Member Conduct Committee. The Chair will be one of the members and will also serve as the Chair of the Hearing Panel. The hearing can be an in-person meeting or can be administered by way of written submissions.

Following an evaluation of the facts of the case, the Hearing Panel will render a judgement to either dismiss the matter or will make a determination that the member is guilty of misconduct. A finding of misconduct may result in sanctions against the member as detailed in the answer to question 8(e).

8(c)(ii). *Who are the decision makers?*

The Member Conduct Committee is the first decision maker. The Committee is an **independent** panel, headed by a Chair and comprised of RRC/CR and RFRA/CR licensees, CERTIFIED FINANCIAL PLANNER professionals, academics and financial planning experts.

When more serious cases are referred to the Committee by the CIFP Retirement Institute, its role is to determine whether a disciplinary hearing is necessary. If that is in fact the case, a three-person Hearing Panel—the second decision maker—will be selected from among individuals that comprise the Member Conduct Committee. The Chair will be one of the members and will also serve as the Chair of the Hearing Panel.

Following an evaluation of the facts of the case, the Hearing Panel will render a judgement to either dismiss the matter or will make a determination that the member is guilty of misconduct.

8(c)(iii). Are the hearings public?

No, disciplinary hearings are not public.

8(c)(iv). Please provide examples of the results of your disciplinary hearing process.

Of the recent disciplinary hearings for members of the CIFP Retirement Institute, two individuals voluntarily rescinded their RRC/CR certification before the actual hearing was held. In three other cases, the matters were dismissed as there was no finding of fault by the member as adjudged by the Hearing Panel.

8(d). Are your disciplinary decisions public?

Yes, disciplinary decisions are made public. Results of hearings are posted on the CIFP Retirement Institute Web site.

3660 HURONTARIO STREET, SUITE 600, MISSISSAUGA, ONTARIO L5B 3C4
TOLL-FREE: 1-866-635-5526 FAX: (647) 723-6457 CIFP WEB SITE: WWW.CIFP.CA

8(e). What disciplinary action can you take against your members? (For example, can you suspend or revoke the credential, impose terms and conditions, impose fines and/or issue cautionary letters?)

The CIFP Retirement Institute can impose the following sanctions against members following a disciplinary hearing:

- dismiss the matter with a letter of guidance to the member
- impose a plan of action to remedy the misconduct and to pre-empt a repetition of the misconduct
- temporarily suspend the rights of the member to use the RRC/CR or RFRA/CR marks
- temporarily or permanently suspend the certification of the member
- permanently ban the capacity of the member to seek certification and the use of the marks

The CIFP Retirement Institute has yet to have a situation where it has had to forcibly revoke an individual's certification. Members who may have been facing such an outcome, have voluntarily rescinded their rights to the credential at an earlier stage of the disciplinary process.

8(f). Is there an appeal process for your disciplinary decisions? If yes, please briefly explain.

Either party can appeal a decision made by the Hearing Panel. Appeals are granted only on the basis of a material error having been made in the interpretation of the facts of the case or in the interpretation of the Code of Conduct or the Practice Standards.

Appeals must be made in writing within 30 days of the initial judgement rendered by the Hearing Panel.

A three-person Appeal Panel made up of individuals from the Member Conduct Committee will be selected to judge the appeal. The three individuals must be different from the three individuals selected from the Member Conduct Committee to form the Hearing Panel for the case.

Rulings made by the Appeal Panel are final.

8(g). How many complaints about your members have you received in the past 3 years?

Between the CIFP Retirement Institute and The Canadian Institute of Financial Planners, five complaints have been received in the past three years.

3660 HURONTARIO STREET, SUITE 600, MISSISSAUGA, ONTARIO L5B 3C4
TOLL-FREE: 1-866-635-5526 FAX: (647) 723-6457 CIFP WEB SITE: WWW.CIFP.CA

8(h). Of the reviews you have conducted and/or the complaints you have received within the past 3 years:

i. How many have resulted in the initiation of disciplinary proceedings?

Of the five reviews or complaints conducted by the CIFP Retirement Institute in the past three years, all five resulted in the initiation of disciplinary proceedings. That is to say, the first steps of reviewing the nature of the complaint and notifying the member that a complaint has been lodged against them were undertaken.

8(h)(ii). How many have resulted in:

1. The suspension or revocation of a member's credential?

The CIFP Retirement Institute has yet to have a situation where it has had to forcibly suspend or revoke an individual's certification. Members who may have been facing such an outcome, have voluntarily rescinded their rights to the credential at an earlier stage of the disciplinary process.

2. Another form of disciplinary action being taken against an individual?

The most common form of disciplinary action taken against an individual is to reeducate him or her and to impose a remedial action plan to help them remedy their misconduct and to mitigate the potential for the individual to commit the same breach in the future.

The CIFP Retirement Institute is a proponent of reeducation in most situations rather than more severe punitive measures such as financial penalties. The Institute will resort to a revocation of the rights of the member to use the RRC/CR or RFRA/CR marks and to use the credential in more serious cases.

3660 HURONTARIO STREET, SUITE 600, MISSISSAUGA, ONTARIO L5B 3C4
TOLL-FREE: 1-866-635-5526 FAX: (647) 723-6457 CIFP WEB SITE: WWW.CIFP.CA

CREDENTIAL INFORMATION

For each credential listed in Question 3:

9. Does the credential have an education or course requirement? If yes, please provide a copy of the course syllabus.

The CIFP Retirement Institute oversees and administers the following credentials:

- Registered Retirement Consultant (RRC)/Conseillers en Retraite and Conseillères en Retraite (CR)
- Registered Financial and Retirement Advisor (RFRA/CR)

Yes, both credentials have an education and course requirement. Please refer to *'Appendix A: Registered Retirement Consultant (RRC)/Conseillers en Retraite and Conseillères en Retraite (CR) and Registered Financial and Retirement Advisor (RFRA/CR) Course Syllabus'*.

OVERVIEW OF REGISTERED RETIREMENT CONSULTANT (RRC)/CONSEILLERS EN RETRAITE AND CONSEILLÈRES EN RETRAITE (CR) PROGRAM

The CIFP Registered Retirement Consultant Program equips financial planners with the comprehensive and specialized knowledge they need to discuss retirement and estate planning concepts and strategies with clients. Upon completion of the Program and fulfilling non-educational requirements, the individual will earn the license to use the prestigious Registered Retirement Consultant-RRC® and RRC Registered Retirement Consultant titles.

New developments in the RRC/CR courseware

As of January 1, 2019, three additional courses dealing with Lifestyle Planning, Client Engagement Skills and Inter-generational Wealth Transfers will be added to the RRC/CR program. These new courses must be completed in addition to the CIFP Retirement Planning Certificate Course on the path to RRC/CR certification.

It is anticipated that this new content represents an additional 25 hours of study time to the current suggested program study time of 175 to 200 hours.

Program Pre-requisite: None
Suggested Program study time (including retirement plan): 175 – 200 hours
Language: English and French; Québec-specific version in English and French
Proctored Course Examination: maximum of 3 hours
Course delivery: online; optional printed text available for purchase

3660 HURONTARIO STREET, SUITE 600, MISSISSAUGA, ONTARIO L5B 3C4
TOLL-FREE: 1-866-635-5526 FAX: (647) 723-6457 CIFP WEB SITE: WWW.CIFP.CA

To attain full RRC/CR certification, candidates must complete educational and non-educational components:

Educational components

- successful completion of the CIFP Retirement Planning Certificate Course which entails:
  - submitting all end-of-unit formal assessments
  - attaining a minimum grade of 60% on the proctored final course examination
  - attaining a minimum cumulative course grade of 60% (i.e. based on a weighting of 30% for the end-of-unit formal assessments and 70% for the final examination)
- creation and defense of a retirement plan based on a detailed case study that is evaluated by the CIFP Retirement Institute

Non-educational components

RRC/CR licensees must:

- have a minimum of one year of qualifying work experience as adjudged by the CIFP Retirement Institute
- attest to abide by terms and conditions of the RRC® and CR® Certification Marks License Agreement
- attest to abide by the Code of Conduct on the RRC/CR certification application form
- attest to abide by the Practice Standards on the RRC/CR certification application form

OVERVIEW OF REGISTERED FINANCIAL AND RETIREMENT ADVISOR (RFRA/CR) PROGRAM

The Registered Financial and Retirement Advisor Program is similar in scope to the CIFP Registered Retirement Consultant Program in that it gives the learner comprehensive and specialized knowledge of retirement and estate planning concepts and strategies. The distinction is that that the RFRA Program is customized for individuals operating as financial planners in one of Canada’s chartered banks.

Completion of the Program and meeting non-educational requirements gives the advisor the right to use the Registered Financial and Retirement Advisor (RFRA/CR) designation—a certification that falls under the RRC/CR credential but, is unique to the chartered banks.

New developments in the RFRA/CR courseware

As of January 1, 2019, three additional courses dealing with Lifestyle Planning, Client Engagement Skills and Inter-generational Wealth Transfers will be added to the RFRA/CR

3660 HURONTARIO STREET, SUITE 600, MISSISSAUGA, ONTARIO L5B 3C4
TOLL-FREE: 1-866-635-5526 FAX: (647) 723-6457 CIFP WEB SITE: WWW.CIFP.CA

program. These new courses must be completed in addition to the Registered Financial and Retirement Advisor Course Parts I and II on the path to RFRA/CR certification.

It is anticipated that this new content represents an additional 25 hours of study time to the current suggested program study time of 175 to 200 hours.

Program Pre-requisite: None
Suggested Program study time (including embedded retirement plan): 175 – 200 hours
Language: English and French; Québec-specific version in English and French
Proctored Course Examination: maximum of 3 hours
Course delivery: online; optional printed text available for purchase

To attain full RFRA/CR certification, candidates must complete educational and non-educational components:

Educational components

- successful completion of the Registered Financial and Retirement Advisor Course Parts I and II which entails:
  - submitting all end-of-unit formal assessments
  - attaining a minimum grade of 60% on the proctored final course examination
  - attaining a minimum cumulative course grade of 60% (i.e. based on a weighting of 30% for the end-of-unit formal assessments and 70% for the final examination)
- creation of a retirement plan based on a detailed case study that is evaluated by the CIFP Retirement Institute

Non-educational components

RFRA/CR holders must:

- have a minimum of one year of qualifying work experience as adjudged by the CIFP Retirement Institute
- attest to abide by terms and conditions of the RFRA® and CR® Certification Marks License Agreement
- attest to abide by the Code of Conduct on the RFRA/CR certification application form
- attest to abide by the Practice Standards on the RFRA/CR certification application form

10. Does the credential have an examination requirement? If yes, what are the examination requirements?

Yes, both the RRC/CR and RFRA/CR credentials have examination requirements.

3660 HURONTARIO STREET, SUITE 600, MISSISSAUGA, ONTARIO L5B 3C4
TOLL-FREE: 1-866-635-5526 FAX: (647) 723-6457 CIFP WEB SITE: WWW.CIFP.CA

In both cases, following review of the courseware, students are required to successfully complete a proctored, three-hour examination that tests the learner's comprehension of a variety of key learning objectives covered in the course material.

The examinations are comprised of multiple choice questions that range from definitional in nature, to calculations, to analysis of short scenarios to multiple questions tied to a detailed case study. The primary focus of the examination is to test the learner's ability to think critically and to apply the principles presented in the courseware to 'real life' client scenarios. The passing grade for the formal examination is 60%.

In addition to the formal, proctored examination, the courseware for the RRC/CR and RFRA/CR credentials have formal, end-of-unit assessments that must be completed. The assessments are comprised of multiple choice questions that are completed and submitted online. Questions for each unit assessment are tied to the learning objectives covered in that particular unit. Completion of all end-of-unit assessments is a pre-requisite to be eligible to write the final examination.

The passing grade for the CIFP Retirement Planning Certificate Course and for the Registered Financial and Retirement Advisor Course Parts I and II is a minimum cumulative course grade of 60% (i.e. based on a weighting of 30% for the end-of-unit formal assessments and 70% for the final examination). There is a further requirement that the learner must achieve a minimum grade of 60% on the final examination.

11. Does the credential have a code of ethics or standard of conduct?

Yes, both the RRC/CR and RFRA/CR credentials have a code of ethics/conduct and practice standards.

11(a). If you have a code of ethics, please provide a copy.

Please refer to *'Appendix B: CIFP Retirement Institute Code of Conduct'* to view the code of ethics/conduct document.

11 (b). How do you assess whether a member is following the code of ethics?

There are several mechanisms by which the CIFP Retirement Institute can assess whether a member is following the code of ethics (but, not limited to):

- complaints from the public or another member
- infractions committed by the member that are published by bodies such as the MFDA or provincial insurance regulators
- errors and omissions claims by the member

3660 HURONTARIO STREET, SUITE 600, MISSISSAUGA, ONTARIO L5B 3C4
TOLL-FREE: 1-866-635-5526 FAX: (647) 723-6457 CIFP WEB SITE: WWW.CIFP.CA

- self-reporting by the member during the annual membership renewal process or at another time

11 (c). If you have a standard of conduct, please provide a copy.

Please refer to *'Appendix C: CIFP Retirement Institute Practice Standards'* to view the standard of conduct document.

The CIFP Retirement Institute Code of Conduct as per Appendix 'B' also deals with standards of conduct.

11 (d). How do you assess whether a member is meeting the standard of conduct?

Means by which the CIFP Retirement Institute can assess whether a member is meeting the standard of conduct include (but, is not limited to):

- complaints from the public or another member
- infractions committed by the member that are published by bodies such as the MFDA or provincial insurance regulators
- errors and omissions claims by the member
- self-reporting by the member during the annual membership renewal process or at another time

12. Does the credential have a continuing education requirement?

Yes, both the Registered Retirement Consultant/Conseillers en Retraite and Conseillères en Retraite and Registered Financial and Retirement Advisor credentials have continuing education requirements.

12 (a). Please provide a description.

In keeping with all *bona fide* professional designations, the Registered Retirement Consultant/Conseillers en Retraite and Conseillères en Retraite and Registered Financial and Retirement Advisor credentials demand the highest standards from its holders.

RRC/CR and RFRA/CR holders have an obligation—to themselves, to the industry and most importantly, to the clients they serve—to demonstrate they are engaging in ongoing professional development. Licensees need to maintain their technical understanding of retirement and estate planning concepts. They must also keep up-to-date on administrative, legal and regulatory changes that take place within the industry that can impact a client's situation and the recommendations they make to them.

3660 HURONTARIO STREET, SUITE 600, MISSISSAUGA, ONTARIO L5B 3C4
TOLL-FREE: 1-866-635-5526 FAX: (647) 723-6457 CIFP WEB SITE: WWW.CIFP.CA

To remain in good standing, an RRC/CR and RFRA/CR holders must earn a minimum of 10 (ten) qualified continuing education credits each year based on activities approved by the CIFP Retirement Institute.

Licensees have a variety of options with regards to continuing education activities provided the activities truly promote professional development. Specifically with courses that are taken as part of meeting the CE requirement, to be recognized, the CIFP Retirement Institute stipulates that the course must contain an examination component. This ensures that the learner is tested on his or her level of comprehension.

COMMENCEMENT OF CE REQUIREMENTS

CE requirements commence the calendar year following the year in which an individual attains RRC/CR or RFRA/CR certification. A minimum of 10 qualified CE credits must be accumulated by December 31st of each calendar year.

For example, if an individual obtains his or her RRC/CR or RFRA/CR designation at any point this calendar year, he or she will not have any CE requirements for the balance of this year. However, by December 31st of next year, the individual will be required to complete a minimum of 10 approved continuing education credits to maintain his or her RRC/CR or RFRA/CR certification.

A continuing education activity must be completed in full (and all requirements for that activity satisfied) before CE credits can be claimed for that activity. Credits cannot be claimed based simply on enrollment in or partial completion of a course or activity.

Similarly, if a particular course or activity straddles two calendar years, credit for that course or activity cannot be claimed until its actual completion date (which includes satisfying all requirements for that activity such as assignments and examinations). For example, if an individual enrolls in a CE course that commences in September of this calendar year and that concludes in January of next year, he or she can only claim the course for CE purposes for next year as that will be the course completion date (assuming all of the requirements for the course have been met by that time).

ELIGIBLE CONTINUING EDUCATION ACTIVITIES

An eligible continuing education activity is one that furthers the development, professional skills and technical knowledge of the Registered Retirement Consultant/Conseillers en Retraite and Conseillères en Retraite and Registered Financial and Retirement Advisor licensee. The CE activity must, first and foremost, be educational in nature and must cover concepts directly related to retirement and/or estate planning, financial planning in general or industry trends, changes and developments (e.g. legal, administrative and/or regulatory) that impact the advice and recommendations a licensee would give to his or her clients.

3660 HURONTARIO STREET, SUITE 600, MISSISSAUGA, ONTARIO L5B 3C4
TOLL-FREE: 1-866-635-5526 FAX: (647) 723-6457 CIFP WEB SITE: WWW.CIFP.CA

Activities that focus on the merits and features of specific financial products or financial organizations or that are promotional in nature are not considered continuing education.

A variety of options—offered through the CIFP Retirement Institute or alternate sources—qualifies as approved continuing education activities for purposes of upholding an individual's RRC/CR and RFRA/CR certification:

CIFP Trends in Retirement Planning Course

In terms of relevant educational content, cost-efficiency, ease of administration and peace of mind, the CIFP Retirement Institute recommends Registered Retirement Consultant/Conseillers en Retraite and Conseillères en Retraite and Registered Financial and Retirement Advisor licensees complete the *Trends in Retirement Planning Course* to fulfill their CE requirements. Registration for this course is included as part of your annual licensing renewal fee.

In addition to featuring content that will upgrade your technical knowledge, this education offering is pre-approved by the CIFP Retirement Institute thereby relieving you of the burden of self-assessing whether or not the course content meets the prescribed CE standards. Moreover, you will not have to worry about a potential audit and cumbersome record keeping given that the course has already been vetted by the Institute.

In short, successful completion of the *Trends in Retirement Planning Course* will satisfy all of the CE obligations of the Registered Retirement Consultant/Conseillers en Retraite and Conseillères en Retraite and Registered Financial and Retirement Advisor licensee for the year in one simple and convenient step.

Alternate continuing education activities

Alternate continuing education activities may also be taken to meet the annual CE obligations for the RRC/CR and RFRA/CR designations. These activities include (but, are not limited to):

- **Credit courses:** Courses offered through a university, community college or other approved post-secondary educational institution (including self-study and distance learning education offerings) that qualify for a minimum of one-half ($^1/_2$) credit at the applicable educational institution and for which the final course grade is, wholly or in part, based on a formal examination qualify. Part of the course evaluation must include an examination component to be recognized by the CIFP Retirement Institute as a qualified CE activity.
- **In-house training:** Educational seminars, workshops and webinars sponsored by the financial institution that employs the Registered Retirement Consultant/Conseillers en Retraite and Conseillères en Retraite and Registered Financial and Retirement Advisor licensee can be claimed provided the learning objectives covered in the session are in keeping with the RRC/CR and RFRA/CR continuing education guidelines.

3660 HURONTARIO STREET, SUITE 600, MISSISSAUGA, ONTARIO L5B 3C4
TOLL-FREE: 1-866-635-5526 FAX: (647) 723-6457 CIFP WEB SITE: WWW.CIFP.CA

When tabulating the number of CE credits for an in-house training session, time spent for breaks, meals and non-educational activities must be excluded from the calculation. A maximum of seven (7) CE credits can be claimed for a full-day, in-house training session.

- **Conferences:** Sessions attended at conferences, such as the annual CIFPs National Conference, are eligible activities provided they are educational in nature (for ease of identification, educational sessions at the CIFPs National Conference are designated as pre-approved in the delegate handbook).

  Presentations must predominantly focus on technical financial planning concepts or retirement or estate planning. Sessions that centre on the features of specific financial products or financial organizations with a sales or marketing bent do not qualify.

- **Teaching, presenting, writing/editing:** A Registered Retirement Consultant/Conseillers en Retraite and Conseillères en Retraite and Registered Financial and Retirement Advisor licensee who teaches courses or conducts presentations relating to retirement planning and/or financial planning can claim one CE credit for each hour of teaching or presenting to a maximum of 10 CE credits for the calendar year.

  Similarly, an individual who writes financial planning books, articles, newsletters or course content can claim one CE credit for each hour of writing to a maximum of 10 credits. Where the individual is engaged in editing or re-writing pre-existing content, one CE credit can be claimed for every two hours of editing or re-writing to a maximum of 10 credits.

- **Other activities:** Other activities that are educational in nature and that relate specifically to retirement planning, estate planning or financial planning in general may also qualify for CE credits.

Please note: Unless a CE activity is specifically designated as pre-approved by the CIFP Retirement Institute, it is the sole responsibility of the Registered Retirement Consultant/Conseillers en Retraite and Conseillères en Retraite and Registered Financial and Retirement Advisor licensee to ensure the appropriateness of any proposed CE activity he or she chooses to undertake. Similarly, he or she must self-assess whether the proposed activity is aligned with the RRC/CR and RFRA/CR CE guidelines. Non-pre-approved activities are subject to review, approval and audit by the Institute. Decisions made by the Institute pertaining to the appropriateness of a continuing education activity are final.

Documentation and Reporting

Annual reporting of CE activities

As part of RRC/CR and RFRA/CR certification renewal, the licensee will be required to attest to meeting his or her CE obligations each year. This is the extent of the individual's continuing education reporting requirements—supporting documentation does not need to be submitted with the renewal application.

3660 Hurontario Street, Suite 600, Mississauga, Ontario L5B 3C4
Toll-free: 1-866-635-5526 Fax: (647) 723-6457 CIFP Web site: www.CIFP.ca

This said, excluding activities that have been specifically pre-approved by the CIFP Retirement Institute, a Registered Retirement Consultant/Conseillers en Retraite and Conseillères en Retraite and Registered Financial and Retirement Advisor licensee is advised to retain official and original documentation to support any continuing education activities that he or she has claimed in the event he or she is selected by the Institute for a random audit.

Audit of reported CE activities

Individuals that are randomly selected for an audit of his or her claim for CE credits must submit documentation to the CIFP Retirement Institute to substantiate his or her claim. The documentation must contain sufficient information to enable the Institute to verify the nature and appropriateness of the reported activity and the licensee’s participation in it. The Institute may conduct an audit for any, or all, of the three previous years; it is important individuals keep supporting documentation on file to cover this period.

Depending on the nature of the continuing education activity, acceptable documentation will typically be in the form of:

- **Credit courses:** an official transcript or notice of completion issued and certified by the sponsoring post-secondary educational institution
- **In-house training:** a certificate of attendance and completion issued by the licensee’s employer who is sponsoring the training
- **Conferences:** a certificate of attendance (including detailed information about the educational session) issued by the conference sponsor/host
- **Teaching, presenting, writing / editing:**
    - **Teaching:** a letter issued by the educational institution or financial industry organization sponsoring the course attesting that the RRC/CR or RFRA/CR holder is the instructor of the course
    - **Presenting:** a certificate or letter from the sponsor confirming the details of the RRC/CR or RFRA/CR holder’s presentation
    - **Writing/editing:** verification issued by a third party attesting to the nature of the writing/editing work completed by the RRC/CR or RFRA/CR holder

CE documentation that is incomplete, that does not match the records of the CIFP Retirement Institute as it pertains to the identification of the licensee, that is not issued and certified by a recognized post-secondary educational institution or financial industry organization or that, in any respect, is deemed to be inadequate by the Institute will not be accepted. Claims for CE credits based on this documentation will be declined.

In addition to proof of attendance or a certificate of completion for a CE activity, an individual may be required to provide further supporting documentation (e.g. official course description,

3660 HURONTARIO STREET, SUITE 600, MISSISSAUGA, ONTARIO L5B 3C4
TOLL-FREE: 1-866-635-5526 FAX: (647) 723-6457 CIFP WEB SITE: WWW.CIFP.CA

PowerPoint presentation, syllabus, etc.) to clarify what learning objectives were covered as part of this activity.

Decisions made by the CIFP Retirement Institute with regards to the adequacy of the documentation submitted and/or the relevance of the continuing education activity itself are final.

Determining the number of credits attributable to a CE activity

Excluding activities that have been specifically pre-approved by the CIFP Retirement Institute, it is the sole responsibility of the Registered Retirement Consultant/Conseillers en Retraite and Conseillères en Retraite and Registered Financial and Retirement Advisor licensee to assess the appropriateness of a proposed continuing education activity and the number of CE credits that should be assigned to that particular endeavour.

The sponsoring educational institution or financial organization will often offer guidance as to how many CE credits an activity is worth. Where it is left to the participant to make that determination, the number of credits allocated to an activity should be reasonable and should have a direct correlation to the amount of time he or she spent in that activity for purposes of learning and improving his or her skills and technical knowledge.

A prudent and conservative rule of thumb to follow is that one hour of qualified continued education activity equates to one CE credit.

Carryover of CE credits

Continuing education credits accumulated in a given year in excess of the minimum requirements to uphold an individual's RRC/CR or RFRA/CR designation cannot be carried over for use in a future year.

Waiver of CE requirements

CE requirements for a given year may be waived due to extenuating circumstances (e.g. the individual is on maternity or parental leave, the individual or a member of his or her immediate family dies or is diagnosed with a serious medical condition or disability).

An individual must formally request for an exemption of his or her CE obligations in writing and must provide supporting documentation as applicable. Such requests will be reviewed by the CIFP Retirement Institute on a case-by-case basis; decisions rendered are at the discretion of the Institute and are considered final.

A waiver of CE requirements is only valid for the calendar year in which the formal request is submitted; exemptions for multiple years are not permitted as part of one request. An individual who requires an exemption beyond the current calendar year will be required to submit a separate formal request to be exempt for the following year.

3660 Hurontario Street, Suite 600, Mississauga, Ontario L5B 3C4
Toll-free: 1-866-635-5526 Fax: (647) 723-6457 CIFP Web site: www.CIFP.ca

12(b). How many hours of continuing education or professional development are required per year?

To remain in good standing, an RRC/CR or RFRA/CR licensee must earn a minimum of 10 (ten) qualified continuing education credits each year based on activities approved by the CIFP Retirement Institute.

12 (c).What action do you take if a member does not meet the continuing education requirement?

Certification as a Registered Retirement Consultant/Conseillers en Retraite and Conseillères en Retraite and Registered Financial and Retirement Advisor and the use of the RRC/CR and RFRA/CR marks signals to the financial services industry, clients, peers and the public at large that the licensee has attained a recognized level of knowledge and competence and that he or she has undertaken an obligation to act in a professional and ethical manner. The RRC/CR and RFRA/CR designations also indicate the individual's commitment to professional development through continuing education. Accordingly, a breach of this commitment is considered a serious violation of the Code of Conduct.

In the unlikely event that an individual has failed to live up to his or her annual professional development obligations, a representative of the CIFP Retirement Institute will speak to the individual to ascertain why this is the case. Every opportunity will be given to the individual to rectify the situation—by completing his or her CE requirements based on an extended deadline—provided the individual has a reasonable explanation and demonstrates a sincere willingness to amend his or her oversight.

In the vast majority of cases, this is all that is required to get the RRC/CR or RFRA/CR licensee back on track. However, in situations where an individual is unwilling to cooperate or to make amends for not fulfilling their obligations, more serious sanctions will be imposed including the potential revocation of the credential.

An individual may face the revocation of his or her RRC/CR or RFRA/CR certification and his or her right to use the applicable marks for the following CE violations:

- The individual fails to earn a minimum of 10 qualified continuing education credits for a given year within the prescribed timelines (unless, the individual has been approved for a continuing education waiver by the CIFP Retirement Institute).
- An individual, who has been randomly selected for audit, does not fulfill the requirements of the audit as stipulated by the CIFP Retirement Institute.
- An individual misstates or misrepresents his or her CE activities in a manner that is deemed to be deliberate in the reasonable judgment of the CIFP Retirement Institute.

In all situations, decisions made by the CIFP Retirement Institute are considered final.

3660 HURONTARIO STREET, SUITE 600, MISSISSAUGA, ONTARIO L5B 3C4
TOLL-FREE: 1-866-635-5526 FAX: (647) 723-6457 CIFP WEB SITE: WWW.CIFP.CA

13. What is the minimum length of time in which an individual can acquire your credential(s)?

The minimum length of time in which an individual can acquire the Registered Retirement Consultant/Conseillers en Retraite and Conseillères en Retraite and Registered Financial and Retirement Advisor credentials would be between 18 and 24 months. Typically, completion of the Program will require approximately 200 study hours.

14. What is the cost to acquire the credential? Are there ongoing fees payable by members? If so, how much are these fees, how often must they be paid and how are they set?

The cost to acquire the Registered Retirement Consultant/Conseillers en Retraite and Conseillères en Retraite and Registered Financial and Retirement Advisor credentials is $695.

CIFP Retirement Institute annual membership renewal fees are $195.

Fees are set based on market conditions.

15. Can holders of your credential be accredited by more than one organization?

Yes, Registered Retirement Consultant/Conseillers en Retraite and Conseillères en Retraite and Registered Financial and Retirement Advisor licensees can be accredited by other organizations. In fact, this is frequently the case. For example, it is commonplace for our members to hold either the RRC/CR or RFRA/CR credential in addition to the CERTIFIED FINANCIAL PLANNER designation administered by Financial Planning Standards Council.

3660 HURONTARIO STREET, SUITE 600, MISSISSAUGA, ONTARIO L5B 3C4
TOLL-FREE: 1-866-635-5526 FAX: (647) 723-6457 CIFP WEB SITE: WWW.CIFP.CA

APPENDIX A:

REGISTERED RETIREMENT CONSULTANT (RRC) / CONSEILLERS EN RETRAITE AND CONSEILLÈRES EN RETRAITE (CR) AND REGISTERED FINANCIAL AND RETIREMENT ADVISOR (RFRA/CR) COURSE SYLLABUS

REGISTERED RETIREMENT CONSULTANT (RRC) / CONSEILLERS EN RETRAITE AND CONSEILLÈRES EN RETRAITE (CR) AND REGISTERED FINANCIAL AND RETIREMENT ADVISOR (RFRA/CR) COURSE SYLLABUS

APPENDIX B:

CIFP RETIREMENT INSTITUTE CODE OF CONDUCT

3660 HURONTARIO STREET, SUITE 600, MISSISSAUGA, ONTARIO L5B 3C4
TOLL-FREE: 1-866-635-5526 FAX: (647) 723-6457 CIFP WEB SITE: WWW.CIFP.CA

The Canadian Institute of Financial Planning

RETIREMENT INSTITUTE

All members of the CIFP Retirement Institute shall maintain the highest standards of professional conduct whenever dealing with clients and the public. In addition, all members have obligations to the profession of retirement planning and membership in the CIFP Retirement Institute. The following outlines the principles of conduct for our members.

Code of Conduct

Conduct with Clients

Members of the CIFP Retirement Institute shall act professionally and with the highest standard of care for their clients. The principles noted below apply in all client situations - regardless of the specific engagement or nature of the relationship.

Principle	**Definition**
Integrity	Members of the CIFP Retirement Institute must adhere to moral and ethical principles and not engage in any conduct that is unbecoming of a retirement planning professional. Members shall act in a trustworthy manner.
Objectivity	Members of the CIFP Retirement Institute are expected to be objective in providing products and services to their clients. Members shall recommend the best suited products and services based on the need of the client.
Competence	Members of the CIFP Retirement Institute are expected to have the skills and knowledge necessary to provide advisory services. They shall only provide services and recommend products where they are qualified and/or licensed to do so. They shall seek the counsel of qualified individuals when appropriate. All services shall be provided in a timely manner.
Confidentiality	Members of the CIFP Retirement Institute have access to the private personal and financial information of their clients and shall protect, with adequate safeguards in place, the privacy of their clients by keeping all of their personal and financial information confidential at all times and free of discrimination. Members shall never divulge any client information to any other parties without client consent except as required by law. Members shall not use client's information for personal benefit.

Professionalism

Members of the CIFP Retirement Institute shall show diligence, respect, honesty and sound judgment in their work. They must remain objective and impartial, while doing their work thoroughly.

Members must make recommendations based on empirical evidence to the greatest extent possible, bearing in mind the balance of probabilities (both in regard to frequency and degree) associated with variable outcomes.

Diligence and Duty of Care

Members of the CIFP Retirement Institute shall exercise due diligence in the course of their work. They shall ensure that they have gathered sufficient information and knowledge to both advise clients and to make appropriate recommendations.

Best Interests

Members of the CIFP Retirement Institute shall act in the best interest of the client by putting the best interests of the client ahead of their own.

Conflicts of Interest

Members of the CIFP Retirement Institute shall avoid conflicts of interest as much as is reasonably possible. For unavoidable conflicts, members must fully disclose and document all real and perceived conflicts. These also must be fairly managed in the client's favour. Members must promptly disclose any relationship which might be construed as affecting the member's independence. Members must abstain from intervening in personal affairs of their clients that are unrelated to the client engagement.

Provision of Scope

Members of the CIFP Retirement Institute must provide scope of services and must document and disclose any material changes of the engagement, circumstances and material information as changes arise.

Members shall, on a best efforts basis, garner all current and relevant information to be used.

Disclosure of Information & Compensation

Members of the CIFP Retirement Institute are required to disclose all material information. All assumptions and limitations are to be disclosed and/or disclaimed in writing. All facts are to be disclosed and all opinions disclaimed in writing.

Members of the CIFP Retirement Institute are required to disclose method and amount of compensation, agency or employment relations with any third party or parties. Members must provide information required by laws and regulations applicable to the relationship.

Improvement of Skills

Members of the CIFP Retirement Institute shall maintain and improve skills through continuing education and training, thereby ensuring that they are up to date with changes in legislation, the retirement planning process and related matters and as required to maintain their professional qualifications, designations and/or licenses.

Professional Conduct

All members shall act in a manner that reflects positively on their profession and membership in CIFP Retirement Institute.
The following are the general principles for professional conduct to which our members shall abide.

Principle	Definition
Positive Image and Reputation	Actions of CIFP Retirement Institute members must always reflect positively on other members, CIFP and the profession of retirement planning. Members shall engage only in activities that would contribute and enhance the image of both their profession and CIFP. Members shall not denigrate another member, their firm or CIFP and shall not bring their profession or CIFP into disrepute. Members shall not engage or associate in any activities which would detract from a positive image, including behaviours such as, but not limited to: fraud, misrepresentation, deceit and the making of false or misleading statements. Members shall not speak or act in a manner that may lead another to believe they are officially representing the CIFP Retirement Institute unless they have been authorized to do so by CIFP.
Disclosure of Violations	Members of CIFP Retirement Institute must report knowledge of any violations of this Code to CIFP. Any member who is guilty of an infraction from any other organization, professional association or regulatory body maybe subject to additional review by CIFP.
Compliance	Members of CIFP Retirement Institute shall comply with all applicable laws, by-laws and regulations of all governments or self-regulatory organizations where they reside and/or operate. Members shall also comply with all rules, laws and by-laws of other professional associations to which they belong. Members shall make themselves aware of legal and regulatory requirements to operate in their jurisdiction and shall not engage in conduct involving fraud, deceit or misrepresentation.

The Canadian Institute of Financial Planning
RETIREMENT INSTITUTE

Self-declaration

Affirmations

1. Have you or any business been convicted of a criminal offence related to your business activities?

   (Yes / No)

2. Are you currently under an inquiry or investigation or have you been found guilty of any offense or another reason by any tribunal, court or self-regulatory body in the last 12 months?

   (Yes / No)

3. Have you ever been convicted or made an offer or settlement in a civil proceeding pertaining to the misappropriation of funds, fraud and/or misrepresentation?

   (Yes / No)

Acknowledgements

1. I have read and understand that, as a CIFP Retirement Institute member, I must fulfill my professional and ethical obligations as outlined in the CIFP Retirement Institute Code of Conduct.

2. I agree to notify the CIFP Retirement Institute immediately of any disciplinary proceeding or legal action initiated against me and of the disposition of such proceedings as soon as available.

Members who violate the CIFP Retirement Institute Code of Conduct may be subject to disciplinary action, and, any approval granted pursuant to this application may be terminated or suspended at any time by the CIFP Retirement Institute Board of Directors and the Committees thereof, in accordance with the applicable By-Laws, rulings, rules and regulations, Code of Conduct for CIFP Retirement Institutes members.

Any application containing a false statement may result in the refusal or cancellation of any CIFP Retirement Institute Membership. Moreover, if at any time a Member of the CIFP Retirement Institute is found to have made a false statement on the Application for Membership, that Member may be disciplined and/or dismissed from the CIFP Retirement Institute.

APPENDIX C:

CIFP RETIREMENT INSTITUTE PRACTICE STANDARDS

The Canadian Institute of Financial Planning

RETIREMENT INSTITUTE

All members of the CIFP Retirement Institute shall maintain the highest standards of professional conduct whenever dealing with clients and the public. In addition, all members have obligations to the profession of retirement planning and membership in the CIFP Retirement Institute. The following provides our members a framework of principles and a process to be followed by a Registered Retirement Consultant® (RRC®) for Retirement Planning engagements.

Practice Standards

An RRC professional's role in retirement planning goes beyond merely analyzing a client's existing financial resources, and determining how much must be saved in order to live their desired retirement life.

A professional retirement planner should be prepared to assist their client in developing realistic expectations regarding retirement objectives and living standards, and to help ensure that the client is aware of the decisions and adjustments that they may have to make to experience their planned retirement life.

An RRC should be able to help their client retire to their preferred retirement life, not just retire from their current way of life by helping the client plan what they will do and how they will afford it.

All RRC professionals must comply with the following Practice Standards.

Step 1: Establish the Client-RRC Engagement

The purpose of a client-RRC engagement is to ensure both the client and the retirement professional are aware of what to expect from the other party and to make each party aware of their responsibilities to contribute to the development of the relationship.

The RRC will work with the client to define and agree on the scope of the retirement planning engagement. The details of the engagement will be documented and it is strongly recommended that a letter of engagement be used and signed by both the RRC and the client.

From the RRC's perspective, they will spell out exactly what the retirement planning process entails and what the benefits should be to the client. The RRC will also detail what services they are able and willing to provide to the client based on their qualifications and/or licensing.

The RRC must disclose what their responsibilities are to the client, their qualifications, how they are to be compensated for the services they provide and any referral fees to be received. In addition, any potential conflicts of interest must also be disclosed to the client. Finally, the RRC should identify their expectations of the client and provide a clear explanation as to why these expectations are important to the client- RRC relationship.

Registered Retirement Consultant® and RRC® and are registered trademarks of The Canadian Institute of Financial Planning.

It is imperative that the RRC get clear written confirmation from the client that they understand the process, the respective responsibilities and that the client agrees to be a willing participant in the relationship.

Together, the client and the RRC should then discuss the scope of the client-RRC engagement and come to an agreement as to how decisions will be made going forward. For example, some clients prefer a hands-off approach essentially leaving it to the RRC to provide them with advice and recommendations as the RRC sees fit (in such cases, the RRC must be mindful of the rules prohibiting discretionary trading). Other clients, to varying degrees, prefer to have some involvement in the management of their money and the decisions that are being made.

Following the establishment of the engagement, the client will be able to distinguish between what expectations concerning the engagement are realistic and what expectations are not.

Step 2: Establish Objectives and Gather Data

Establishing objectives is a fundamental step of any planning process.

The RRC should help the client be as specific as possible in stating their retirement objectives and their desired life that they anticipate will result.

These objectives must be gathered and recorded and can be both quantitative and qualitative in nature.

Retirement objectives should also be realistic and objective rather than idealistic or hypothetical. Frequently, a client will state their objectives vaguely, as in the following example:

- I want to retire comfortably, at an age when I can still enjoy it.

The RRC should encourage and assist the client to be more specific and reflect anticipated lifestyles, as in the following examples:

- I want to retire at age 60, with an equivalent income of $40,000 per year and travel at least once per year to Florida.
- If possible, I would like to retire before age 65, while being able to maintain my current lifestyle and to take at least one major vacation per year.

As a RRC you are helping the client paint a picture of their future life, and you are offering solutions to make their preferred lifestyle achievable. Including a lifestyle perspective to planning will add a dimension to the client-RRC relationship that enhances the RRC role.

When aiding the client in setting their objectives, the RRC should encourage the clients to ask themselves questions about their expected lifestyle, as in the following examples:

- Where do I want to live when I am retired?
- Do I want to take on a second career?
- Will I keep busy with volunteer work?
- Do I want to travel, engage in any hobbies, or go back to school?

In addition to helping identify their objectives, these types of questions will help the client to prepare psychologically for retirement. In addition, the objectives themselves can become powerful motivators, giving the clients the resolve to make the current lifestyle changes that may be required to achieve their retirement objectives so that they can live their expected retirement lifestyle.

There is a distinct possibility that the client may not be able to achieve all of their retirement objectives, and that in fact, some of the objectives may conflict with each other. For example, many clients want both financial security and early retirement, but it may not be possible. Therefore, the RRC should encourage and assist clients to assign priorities to each objective.

Step 3: Clarify Present Status and Identify Problem Areas and Opportunities

It is important for the RRC to fully understand the client's current and future financial and lifestyle expectations. The RRC should also be aware or enlist assistance of qualified individuals to determine any other obligations or objectives that might interfere or conflict with the client's retirement objectives.

For a financial assessment, the client's current financial net worth and income potential can be estimated by having them fill out data-gathering worksheets. The completed worksheets can help the RRC determine the client's net worth and income that are currently available to the client, how the client disposes of their current income, and what resources may be available to the client to aid in funding expected retirement needs.

Depending upon the scope of the client-RRC engagement, a quantitative analysis will generally include some financial projections to assess whether the client can reasonably expect to be able to fund their expected retirement lifestyle based on their current financial position.

Not all retirement objectives can be resolved with a quantitative analysis. Qualitative data (for example: personality style, personal values, family dynamics and so forth) should also be gathered, and assessed to determine its impact on financial projections and retirement objectives, and to aid the RRC in providing long-term appropriate solutions.

For a financial assessment, a client's need for retirement funding will be affected by the following:

- their estimated financial needs during retirement
- the anticipated income from employer-sponsored pension plans, Canada Pension Plan, Old Age Security program, and part-time employment after retirement
- the current value of their retirement plan assets and other investment assets that might be used to provide retirement funds
- the remaining time until their retirement
- the amount they are currently saving towards retirement
- the life expectancy of the client and their spouse
- the anticipated inflation rate for the remainder of their life expectancy
- the anticipated rate of return on investments
- the anticipated income tax rates

While many of these factors are difficult to predict with any accuracy in the short term (for example, interest rates and inflation), if the retirement planning horizon is sufficiently long, history may provide a basis for a reasonable approximation of the future.

Despite the RRC's best efforts to develop reasonable assumptions, it is important that the client understands that no one can precisely predict the future. The best that the RRC can do is provide reasonable assumptions for the purpose(s) of providing direction to the client. The RRC should discuss, review and document the applicable assumptions with the client. Some clients may prefer to use more aggressive or conservative assumptions, without regard to any historical norms.

Step 4: Identify Appropriate Strategies and Present Retirement Plan

After a thorough quantitative and qualitative analysis has been completed, the RRC will need to identify strategies and solutions that are appropriate for the client to achieve their stated retirement objectives and achieve their anticipated retirement lifestyle.

Once the RRC has determined the funding that will be needed at retirement (for example, the client may need to accumulate $400,000 by age 65, in addition to their employer's pension, CPP, and OAS benefits), the RRC can then develop strategies for accumulating those funds. These strategies could be relatively simple, such as contributing $6,000 to their RRSP each year, or they could be tied into inflation or salary increases, such as beginning to contribute $6,000 to their RRSP this year, and increasing this amount by 5% each year.

The RRC may determine that the savings required for retirement are more than the amount currently available for savings. In this case, the RRC should encourage and assist the client to re-examine their retirement objectives to determine if their need for retirement funds can be reduced (perhaps by postponing their retirement or downgrading their retirement lifestyle). The client may also have to re-examine their current lifestyle to determine if additional funds can be allocated to retirement savings. The client can also re-evaluate their investment choices to determine if they can increase their investment returns, without exceeding their financial and psychological tolerance for risk, with the RRC's investment advice if qualified to do so or with the advice of an investment specialist.

Recommended strategies should also consider qualitative lifestyle considerations. For example, retirees should be made aware of how changes in a person's personal situation can have an impact on their lifestyle when they stop working, such as, someone who retires from a physically active job should consider thinking of ways to remain active to avoid health issues. The RRC may encourage and assist the client to prepare for the emotional transition the client may experience.

The RRC's recommendations should also include options and supporting rationale in a documented plan. The plan should be understandable to the client and allow the client to make informed long-term decisions about their retirement.

Step 5: Implement the Retirement Plan

Once the client has agreed to the RRC's recommended strategies and solutions, time frames for implementation of the action items should be agreed to and should be documented either through notes in a client file or provided to the client in writing. It is imperative that the RRC disclose any conflicts of interest that may result from the implementation of the recommended strategies and solutions.

Many people are procrastinators by nature and put off making complex decisions. The RRC should encourage clients to implement strategies and solutions as soon as possible. For example, the RRC can encourage their clients to make their contributions early in the taxation year to take advantage of the additional tax-deferred growth during the year.

The RRC may provide the client with investment advice if they are qualified to do so or the RRC may suggest that the client seek the advice of an investment specialist. However, the RRC, could, if qualified still have a role to play by reviewing the client's investment choices to ensure that they are consistent with the recommended strategies and solutions.

If the RRC is not appropriately qualified or licensed to implement the action items, they should provide the clients with introductions to qualified professionals when necessary. This may include estate planning specialists for blended families, tax planning and/or succession planning specialists for business owners, lifestyle or transition coaches and so on.

If there are action items that have been assigned to the client or outside professionals (e.g. healthcare professionals etc.), the RRC should help with the implementation of those items by providing the client with objective advice and guidance where he/she is appropriately qualified to do so.

Step 6: Monitor and Update

The RRC should discuss and determine with the client the terms of the review and monitor the client's situation accordingly.

Monitoring is an essential component of any planning process, but is particularly important in retirement planning because assumptions will not remain valid over the long planning horizon. Periodic reviews and updates are needed to evaluate progress towards the client's retirement objectives. If the client's personal situation changes, the investments are not performing as expected, or if inflation or income levels have deviated significantly from the assumptions in the original plan, the strategies may have to be modified to ensure that the retirement objectives can still be achieved.

The frequency of monitoring depends on the client. Many are satisfied with an annual review, while those close to retirement might appreciate more frequent updates. For younger clients, updates every three to five years might be sufficient, unless there is a significant change in the client's situation, such as divorce, inheritance, career change, or birth of a child.

The actual implementation of a retirement plan is the first step — ongoing review is crucial to ensure the original objectives and assumptions remain valid. The retirement plan should be reviewed to identify: material changes in the life of the client (for example, change in marital status), changes in the client's financial objectives (for example, a client wants to retire earlier than anticipated) and economic changes (for example, lower than projected rate of return on investments).

Documentation

The RRC cannot prepare a retirement plan without a clear understanding of the client's resources, or without making assumptions (rate of inflation, income growth rates, return on investments, tax rates). Any retirement planning exercise must include full documentation of the data gathered and assumptions used to develop the retirement plan. A statement regarding the uncertainty of these assumptions should also be included.

The strategies developed in Step 3 are critical to the implementation of a successful retirement plan and should be delivered in writing by the RRC.