

ALPHABET SOUP

When selecting a financial planner, you need to feel confident that the person you choose to help you plan for your future is competent and ethical. Many people believe that all financial planners are certified, but this isn't true. Only those who have fulfilled the certification and renewal requirements of the CFP Board can use the CERTIFIED FINANCIAL PLANNER™ (CFP®) designation.

CFP Certification Requirements

- **Education** – CFP professionals must develop their theoretical and practical financial planning knowledge by completing a comprehensive course of study at a college or university offering a financial planning curriculum approved by the CFP Board.
- **Examination** – CFP practitioners must pass a comprehensive, two-day, 10-hour CFP certification Examination that tests their ability to apply financial planning knowledge in an integrated format. Based on regular research of what planners do, the exam covers the financial planning process, tax planning, employee benefits and retirement planning, estate planning, investment management, and insurance.
- **Experience** – CFP professionals must have a minimum of three years' experience in the financial planning process prior to earning the right to use the CFP designation. As a result, CFP practitioners possess financial counseling skills in addition to financial planning knowledge.
- **Ethics** – As a final step to certification, CFP practitioners agree to abide by a strict code of professional conduct, known as the CFP Board's Code of Ethics and Professional Responsibility, which sets forth their ethical responsibilities to the public, clients, and employers. The CFP

Board also performs a background check during this process, and each candidate for CFP certification must disclose any investigations or legal proceedings related to his or her professional or business conduct.

What is a AIF®?

AIF® designees have acquired a thorough knowledge of fiduciary responsibility; a fiduciary is required by law to always act in the best interest of their client, beneficiary, or retirement plan participant. AIF designees have successfully completed a program on investment fiduciary standards of care at the Center for Fiduciary Studies and have passed a comprehensive examination of the *27 Prudent Investment Practices*. Designees are also required to adhere to continuing professional education requirements which keep them abreast of recent events in the industry that are affecting every fiduciary.

What Is a CLU?

The Chartered Life Underwriter (CLU) designation is the professional credential for persons involved in the protection, accumulation, preservation, and distribution of the economic values of human life. The CLU program provides insights into the life insurance business, its importance to the economy, its operation and distribution systems, and its resurging importance for safe and secure investments. Candidates must meet prescribed ethical, experiential, and educational mandates to earn the designation.

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What Is a ChFC?

The Chartered Financial Consultant (ChFC) designation focuses on the comprehensive financial planning process as an organized way to collect and analyze information on a client's total financial situation. Those with the ChFC are experts at identifying and establishing specific financial goals and at formulating, implementing, and monitoring a comprehensive plan to achieve those goals. The ChFC program provides financial planners and others in the financial services industry with in-depth knowledge of the skills needed to perform comprehensive financial planning for their clients. Candidates must meet prescribed ethical, experiential, and educational mandates to earn the designation.



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