RESPONSE TO PROPOSED RULE [2020-001] – *FINANCIAL PROFESSIONALS TITLE PROTECTION*

November 2020

TABLE OF CONTENTS

FP Canada™
Advancing Professional Financial Planning

INTRODUCTION

FP Canada™ is pleased to respond to Financial Services Regulatory Authority of Ontario (FSRA) Proposed Rule [2020-001] – *Financial Professionals Title Protection.*

A national professional body working in the public interest, FP Canada is dedicated to championing better financial wellness for all Canadians by certifying professional Financial Planners and leading the advancement of professional financial planning in Canada. There are approximately 21,000 professional Financial Planners in Canada, including more than 9,000 in Ontario who, through CERTIFIED FINANCIAL PLANNER® certification and QUALIFIED ASSOCIATE FINANCIAL PLANNER™ certification, meet FP Canada's standards.

COMMENTS ON THE PROPOSED RULE

We have organized our comments on the Proposed Rule around the questions set out in the consultation paper. While not specific question areas, we have also provided detailed comments on the topics of credential body criteria and duties, which is a matter foundational to the entire Proposed Rule, the transition period, and other titling considerations.

1. Credentialing Bodies – Criteria and Duties

We commend FSRA for including consideration of the public interest throughout the consultation, and particularly for embedding requirements to "serve the public interest" within key elements of the proposed "Credentialing Bodies – Criteria and Duties," including governance, administration, procedures, and ethics and professional standards for employees, as called out in s.4 (1)(a) and (c) of the Proposed Rule. That said, in our opinion, the public interest obligations should go further, to ensure credentialing bodies deliver positive outcomes, always in the public interest.

In our view, a requirement that a credentialing body "serves the public interest" is insufficient. In fact, there are many examples of organizations, products or services that may "serve the public interest," but the motivations of which are entirely different; for example, member-interest or shareholder interest. In our opinion, any approved credentialing body should be required to act in the public interest through an explicit public interest mandate reflected throughout all aspects of the organization.

As such, the requirements in the criteria to "serve the public interest" should be significantly strengthened. **We recommend FSRA require that approved credentialing bodies must not only say they "serve the public interest," but must demonstrate their standards-setting, credentialing and oversight activities are unencumbered to "act in the public interest."** While on the surface it may sound like quibbling, "serving the public interest" does not necessarily include a commitment to put the public interest first, ahead of all other interests, including for example, shareholder, member or industry interests. We urge FSRA to strengthen the wording of the obligation to "acting in the public interest," and to include specific examples of obligations to overcome inherent conflicts of interest such as those mentioned above.

A prospective approved credentialing body should be required, as part of the application process, to demonstrate how it will deliver on its public interest obligations, through its governance and internal structure, in the face of other competing interests. This will at once help foster public confidence in the regulator, the credentialing body and the underlying credential(s).

2. Financial Planning and Financial Advising Credentials

With respect to the criteria for Financial Planning credentials, while the criteria set out in the Proposed Rule provide a good starting point, the inclusion of greater detail on standards would strengthen consumer protection, provide greater consistency throughout the financial planning community, and ensure more consistent, higher quality outcomes for consumers.

In 2015, FP Canada and the Institut québécois de planification financière (IQPF) worked together to jointly develop and publish the *Canadian Financial Planning Definitions, Standards & Competencies* (also known as "the Blue Book").[1] Updated in 2020, the Blue Book has come to serve as the definitive source for high-level financial planning definitions and standards in Canada. The Blue Book definitions and standards are widely accepted by Financial Planners, industry firms, educators, consumers and other stakeholders. Already, 25,000 Financial Planners across Canada who hold CFP® certification, QAFP™ certification and the Financial Planner (pl.fin.) title in Québec meet and adhere to the standards set out in the Blue Book.

In keeping with the Proposed Rule's credential criteria, the Blue Book includes definitions of what a Financial Planner is, a unified code of ethics and a common set of practice standards and competencies for Financial Planners, and provides clarity for the Canadian public about what to expect of a Financial Planner anywhere in Canada, regardless of their credential.

We recommend FSRA adopt the Blue Book standards as the basis for its Financial Planner credential criteria. Adoption of the unified definitions, standards and competencies outlined in the Blue Book would ensure consistency of standards and requirements for Financial Planners, not only in Ontario, but across Canada. These standards are at a high level, are not proprietary, and much like the Proposed Rule, are drafted so as to be accessible and applicable to all Financial Planners.

In the Appendix to this submission, we have provided a comprehensive side-by-side comparison between the Blue Book standards and competencies and the Proposed Rule, and make recommendations for aligning the two.

While there is significant consistency between the Blue Book and the Proposed Rule, two key areas where the standards and obligations set out in the Blue Book are more informative than the Proposed Rule are in the important areas of ethical obligations and in gaining a complete understanding of the client's financial situation and needs through effective discovery and client comprehension. In our

---

[1] *Canadian Financial Planning Definitions, Standards and Competencies:* https://www.flipsnack.com/CDC696EEFB5/canadian-financial-planning-blue-book-eng/full-view.html

opinion, these areas are important enough to consumer protection and confidence in Financial Planners that the Proposed Rule should be enhanced accordingly.

In the area of ethics, the Blue Book places a higher emphasis on putting the client's interest first, acting with integrity and ensuring a Financial Planner remains objective and up to date on their skills. It sets out eight ethical principles, which set out specific obligations to the client.[2]

We recommend amending the Proposed Rule as set out below, to ensure it appropriately emphasizes the important responsibility a Financial Planner has to the client and to the good reputation of the profession.

Suggested Amendment:

s.5(1)(a) *based on a program designed and administered to ensure that an individual using the credential will be required to place the client's interests first and deal with the individual's clients competently, with integrity, with confidentiality,* professionally, *diligently, fairly, objectively, honestly and in good faith…*

As it relates to gaining a complete understanding of the client's financial situation and needs through client discovery and interaction, Financial Planners play an important role in helping clients understand and navigate what can often be a complicated personal financial landscape as they plan for their financial futures. While engagements may range in scope and complexity, it is the Financial Planner's role in competently and professionally gaining a full picture of the client's goals, needs and priorities, and the interdependencies among them, that sets them apart from other advisors, and that provides the greatest value to clients.

It is also important to consider these three areas which are crucial in the Financial Planner-client relationship. Per the Blue Book, Financial Planners should:

- **Explain the role of the Financial Planner and Value of the Financial Planning Process** – Ensure the client understands the role of a Financial Planner and the value of the process of financial planning in identifying and meeting the client's personal goals, needs and priorities;
- **Define the Terms of the Engagement** – Work with the client to define and agree on the scope of the financial planning engagement, whether an initial or review engagement; and
- **Discuss Implementation Actions, Responsibilities and Time Frames** – Gain the client's agreement regarding implementation actions, responsibilities and time frames. Stress the importance of a review and ongoing monitoring of the client's situation relative to their personal goals, needs and priorities periodically and as needed based on material changes in personal or external circumstances

We therefore recommend changes to Section 5 of the rule to better reflect the holistic nature of financial planning vis-à-vis other forms of financial advice.

[2] The Blue Book outlines eight principles of a Code of Ethics. The following are the eight principles: Duty of Loyalty to the Client, Integrity, Objectivity, Competence, Fairness, Confidentiality, Diligence and Professionalism

Suggested Amendments:

s.5 (b.5) Collect~~ing~~ all relevant personal and financial client information before identifying possible strategies or making and/or implementing any recommendations

s.5 (b.8) Developing~~, and~~ presenting and implementing an integrated financial plan for a client

NEW s.5 (b.9) Explain the role of the Financial Planner and value of the financial planning process

NEW s.5 (b.10) Define the terms of the engagement

NEW s 5 (b.11) Discuss implementation actions, responsibilities and time frames

3. Disclosure

To ensure full transparency, and help improve consumer understanding of the myriad of titles and credentials out there, we support requiring Financial Planner and Financial Advisor title users to disclose the applicable credential they hold, as proposed by FSRA in the consultation paper.

Disclosure of credentials through business cards, email signatures and/or websites is simple and efficient, and most credential holders already do so. In addition, most licensees and credential holders are already subject to other written disclosure requirements (e.g. FP Canada certificants[3] and CSA registrants must disclose specific items in writing to clients in an engagement[4]).

We encourage FSRA to consider the issue of disclosure in conjunction with consumer education, and if possible, to test actual disclosure methods with actual consumers (e.g. consumer focus groups to test consumer preferences and the efficacy of various alternatives).

While we are supportive of a credential disclosure requirement, note that the ability to enforce such a requirement is limited. We therefore recommend FSRA accept an attestation-based approach to a disclosure requirement, whereby, as part of their annual certification renewal with their credentialing body, credential holders would be required to annually attest to disclosure of their credential to clients in the manner set out by the Proposed Rule. This attestation requirement should be clearly set out in the Propose Rule.

4. Exemptions

In the interest of consumer protection, we do not support exemptions for use of the "Financial Planner" title. Such exemptions would serve only to confuse consumers, and in no way further the public interest.

---

[3] Section 7 of the FP Canada *Rules of Conduct* requires Certificants to disclose specific items to clients in writing, such as the costs of services and products to the clients and the specific financial planning services the Certificant will perform for the client.
See: https://fpcanada.ca/docs/default-source/standards/standards-of-professional-responsibility.pdf

[4] https://www.osc.gov.on.ca/documents/en/Securities-Category3/ni_20190612_31-103_unofficial-consolidation.pdf

5. Transition Considerations

We are concerned by the proposal for a five-year transition period for existing Financial Planner title users. While we are mindful of FSRA's intent to provide sufficient time for those currently using the Financial Planner title to obtain an approved credential should they not hold one, we strongly urge FSRA to reduce the transition period. Five years is unnecessarily long, and undermines the purpose underpinning the *Financial Professionals Title Protection Act* (FPTPA).

Given that no existing Financial Planner credential takes five years to obtain today, given the Ontario government passed the FPTPA more than a year ago, and given public government consultations on this issue have been clearly laying the groundwork for this change for many years before that, a three year transition period from the date the FPTPA comes into force is more than sufficient, and we would in fact support a shorter period still.

6. Fees and Assessments

We appreciate that FSRA intends to consult further with stakeholders on the topic of fees in a future consultation, and we look forward to engaging in a thorough conversation at that time. That said, we would flag the following high-level fee-related concerns for FSRA's attention, as fees are considered going forward:

- **Fee Setting** – We recognize that the FPTPA does provide FSRA with the authority to set fees for individual credential holders. However, when you consider that credentialing bodies are responsible for collecting certification fees and for oversight of individual credential holders, and that FSRA is responsible for overseeing approved credentialing bodies, we suggest it would be much more appropriate and efficient for FSRA to determine the fees for the credentialing bodies – not the individual certificants. This type of arrangement would be consistent with the direction of the implementation of the legislation, whereby the relationship FSRA has is directly with the credentialing bodies and not the certificants.

- **Fee Timing** – We understand that FSRA is already incurring, and will continue to incur, meaningful costs once the regulatory framework is operationalized, which the sector must ultimately be responsible for. With that said, FSRA must be flexible and thoughtful in terms of when it starts collecting fees from credentialing bodies, both initially and then on an ongoing basis. Credentialing bodies (particularly not-for-profit bodies) often set their fees many months out, in accordance with strict governance bylaws and policies that cannot be simply set aside.[5] Ongoing communication with credentialing bodies in the lead-up to operationalization of the framework will be critical to ensure they are prepared for the first payments, and subsequent annual payments.

[5] By way of example, FP Canada's fiscal year begins in April. FP Canada's Board of Directors sets certification fees for each fiscal year the previous December. This means to inform Board decision-making in December, FSRA would need to communicate its intention on fees in November at the latest.

- **Fee Coordination/Harmonization** – Given there likely to be other provinces following Ontario's leadership on title protection legislation, and one other province (i.e. Saskatchewan) has in fact already passed similar legislation, it is critical that FSRA give due consideration to the issue of harmonization. Specifically, we recommend harmonization around fee timing, formulas, oversight and consumer education, to create an efficient and coordinated system. For example, as more provinces pass similar legislation, it would be practically impossible for credentialing bodies to manage oversight by multiple regulators concurrently. The sheer volume of duplicative regulatory audits could be overwhelming. Likewise, when it comes to consumer education, we believe there will be considerable opportunity for FSRA, the Financial and Consumer Affairs Authority of Saskatchewan and subsequent provincial regulators to take advantage of economies of scale when developing outreach campaigns or testing consumer messaging.

7. Consumer Education

Consumer education will be pivotal to the efficacy of the new framework. It is important not only that consumers are aware of the new framework and know what to look for in choosing a Financial Planner or Financial Advisor, but also that they understand what the titles mean, and what to expect from their Financial Planner or Financial Advisor, including their knowledge, competencies, and service offerings.

We would raise two considerations for FSRA with respect to consumer education.

First, any consumer education campaigns must be targeted in their approach. Blanket advertising campaigns focused simply on "awareness" will not be effective, and such campaigns would increase costs to such an extent that it could drive individuals away from certification, thus undermining the entire framework.

Second, there must be consistency and coordination among all stakeholders in terms of messaging to consumers. If different stakeholders are communicating different messages to consumers, it will only serve to perpetuate consumer confusion. Work will need to be done on bringing FSRA and other stakeholders together to develop consistent message guidelines for consumer communications regarding the use of titles and enhanced consumer understanding of the new framework.

FP Canada is committed to partnering with FSRA and other organizations in support of consumer education around the FPTPA.

8. Other Titling Considerations

Clarifying Financial Advisor Qualifications and Service Offerings

While the FPTPA will go a long way toward creating clarity for consumers, there are additional actions FSRA can and should take to ensure the new framework is as impactful as intended.

Specifically, the Financial Advisor title today is generic; that is, it is used by a wide range of individuals with very different knowledge and competencies, who offer very different products and services. Many

Financial Planners, investment advisors, mutual fund advisors, insurance advisors, mortgage brokers, accountants and other individuals refer to themselves broadly as “Financial Advisors” today.

In our view, without further specificity regarding the various different types of Financial Advisor qualifications, consumers will continue to be confused and potentially misled as a result of their inability to distinguish between the various types of Financial Advisors in the marketplace. To address this concern, we suggest aligning the use of the Financial Advisor title with the products and services the authorized title user is licensed to provide and/or the credential that they hold.

There are several potential ways to achieve this. One method would be explicitly qualifying use of the Financial Advisor title based on the individual’s qualification from the approved credentialing body (or bodies). In other words, rather than allowing “Financial Advisor” to be used on a standalone basis, the title would have to be used in conjunction with the individual Financial Advisor’s specific credential. For example:

- “Financial Advisor, Securities” (if, for example, IIROC’s securities license is recognized as an approved Financial Advisor credential)
- “Financial Advisor, Mutual Funds” (if, for example, MFDA’s mutual fund license is recognized as an approved Financial Advisor credential)
- “Financial Advisor, XYZ” (where XYZ is the approved Financial Advisor credential)
- A “Financial Advisor” who is authorized to use the title on the basis of multiple credentials would be required to disclose them all in conjunction with the Financial Advisor title (e.g. “Financial Advisor, XYZ, Mutual Funds”).

Regulating Other Misleading Titles

The FPTPA explicitly states that, when it comes to both the Financial Planner and Financial Advisor titles, no individual without an approved credential may use “a title that could reasonably confused with that title.”

It is a real and significant risk that, once the framework is in effect, without strict regulation of other misleading titles, individuals not meeting the approved credential requirements will simply use similar sounding, misleading titles, thereby perpetuating consumer confusion and undermining the efficacy of the framework. Such a significant potential problem cannot be solved by consumer education alone. We urge FSRA to act decisively to address this critical gap.

Specifically, we strongly urge FSRA, in the interest of strengthening its rules to ensure greater consumer clarity, to include in the Proposed Rule a list of titles that it considers misleading, before restrictions on the Financial Planner and Financial Advisor titles take effect.

Rather than attempting to identify and restrict individual titles in this regard, which will be difficult given the countless possible permutations, we recommend creating, as part of the initial rule, a list of titles that non-credentialed individuals are prohibited from using. This list would represent titles that lend themselves to confusion with the Financial Planner and Financial Advisor titles, and the distinct knowledge, competencies and professional obligations Financial Planners and Financial Advisors have.

We recommend that the list contain both nouns and descriptors (adjectives) such that all adjective/noun combinations identified in the list be prohibited. We further recommend the list include, but not necessarily be limited to, the following adjectives and nouns:

Proposed Prohibited Titling Adjectives for Non-Credentialed Individuals	Proposed Prohibited Titling Nouns for Non-Credentialed Individuals
• Financial • Wealth • Money • Retirement • Asset • Security • Investment • Life	• Planner • Advisor (or Adviser) • Coach • Consultant • Guru • Counsellor • Manager

Importantly, this list should be dynamic, and continuously updated to ensure other confusing and misleading titles that may emerge in the future are added to it. It will also be imperative that FSRA, in cooperation with industry and approved credentialing bodies, actively monitor and take enforcement action against individuals using these terms in their titles.

This approach is in keeping with the Quebec model, wherein as part of the restriction of the Financial Planner title under the *Act respecting the distribution of financial products and services*, similar titles and expressions are explicitly prohibited through supplemental regulation. [6]

While ideally credentialed Financial Planners and Financial Advisors will stick to using these two prescribed titles once the framework is operationalized, we note that in some cases they may have specific, legitimate reasons for instead wanting to continue using a term listed in the table above. For example, some Financial Planners hold additional, specialized retirement designations and focus primarily on counselling clients with retirement planning needs, and therefore call themselves "Retirement Planners." Likewise, it is not uncommon for Financial Planners working at finance-related charitable organizations to be commonly referred to as "Money Coaches."

Accordingly, in keeping with FSRA's goal of ensuring flexibility in the framework, we recommend FSRA adopt a principles- or guidance-based approach to allowing the use of these otherwise prohibited terms/titles in certain instances, where they are being used by individuals who are authorized to use the Financial Advisor or Financial Planner title, and where they can justify use and explicitly demonstrate to FSRA that they have the necessary competencies implied by the otherwise prohibited title.

While use of such terms in lieu of or in tandem with the titles Financial Planner or Financial Advisor may be acceptable in some cases, ultimately, it is in the interest of consumers to have as few titles in the

[6] D-9.2, r.20 – *Regulation respecting titles similar to the title of financial planner*: http://legisquebec.gouv.qc.ca/en/ShowDoc/cr/D-9.2,%20r.%2020/

marketplace as possible. Therefore, we encourage FSRA to communicate to industry participants (firms in particular) that permission to use other titles besides Financial Planner or Financial Advisor would be the exception rather than the rule.

Finally, in keeping with developing further titling guidance, we recommend FSRA consider creating a guidance document that provides a list of definitively FSRA-approved titles that industry participants who do not meet the Financial Planner or Financial Advisor titling requirements would, in fact, be permitted to use. This would provide industry participants with clarity, would support broader titling consistency, and would immediately boost effectiveness of the framework.

CONCLUSION

FP Canada thanks FSRA for the opportunity to provide comment, and to reiterate our support for FSRA's work in developing the Proposed Rule. With the enhancements outlined in this submission, Ontario's title protection framework stands to create much-needed clarity for consumers, strengthen consumer protection, and improve consumer outcomes.

As always, we look forward to continuing to work with FSRA on development and implementation of this framework going forward.

APPENDIX – COMPARISON OF THE PROPOSED RULE AND THE BLUE BOOK

Proposed Rule Language	Blue Book	Recommendation
5.(1)Any financial planning credential offered by an approved credentialing body shall be…		
(a) based on a program designed and administered to ensure that an individual using the credential will be required to deal with the individual's clients competently, professionally, fairly, honestly and in good faith, and…	**Code of Ethics:** The Blue Book outlines 8 key principles of the Code of Ethics: 1. Duty of Loyalty to the Client 2. Integrity 3. Objectivity 4. Competence 5. Fairness 6. Confidentiality 7. Diligence 8. Professionalism	**Recommendation:** Add key elements of the Blue Book Code of Ethics **REVISED:** s.5(1)(a) *based on a program designed and administered to ensure that an individual using the credential will be required to place the client's interests first, deal with the individual's clients competently, with integrity, with confidentiality, professionally, diligently , fairly, objectively, honestly and in good faith, and…*
b) subject to such educational requirements related to financial planning and associated matters that provide the technical knowledge, professional skills and competencies that would reasonably be expected of an individual providing financial planning recommendations and preparing financial plans, including, without limitation, educational requirements related to:	**CFP** designation candidates must complete a rigorous education program, pass a national exam and demonstrate three years of qualifying work experience. To maintain certification, CFP professionals must keep their knowledge and skills current by completing 25 hours of continuing education each year. They must also adhere to the FP Canada Standards Council™ *Standards of Professional Responsibility*, including a Code of Ethics which mandates that CFP professionals place their clients' interests first. The Standards Council vigilantly enforces these standards **QAFP** Professional Education Program teaches students how to apply the totality of the body of knowledge gained in their Core Curriculum Programs in an integrated fashion and to the practice of financial planning in less complex client engagements. The program introduces models, guidance and techniques for undertaking all phases of the financial planning process as well	

FP Canada™
Advancing Professional Financial Planning

	as key concepts in human behaviour and ethics. The QAFP Professional Education Program uses real-world case scenarios to develop a deep understanding of, and competence in, holistic financial planning, applying key facets of human behaviour and addressing common ethical dilemmas to address the typical financial planning needs of average Canadians. It is a practical program to help prepare for practice as a Financial Planner	
1. The Canadian financial services marketplace and regulatory environment.		
2. Estate planning, tax planning, retirement planning, investment planning, finance management and insurance/risk management.	**Competency Profile:** Estate planning, tax planning, retirement planning, investment planning, financial management, insurance and risk management and **legal aspects**	**Recommendation:** Legal aspects are included in FP Canada Competency Profile but not in the Proposed Rule's requirements for education - recommend adding to list **REVISED:** *s. 2 Estate planning, tax planning, retirement planning, investment planning, finance management insurance/risk management and legal aspects.*
3. Ethical practices and professional conduct.	**Code of Ethics:** The Blue Book outlines 8 key principles of the Code of Ethics 1. Duty of Loyalty to the Client 2. Integrity 3. Objectivity 4. Competence 5. Fairness 6. Confidentiality 7. Diligence and 8. Professionalism	**Recommendation:** See above recommended change to s. 5 (1)(a)
4. Dealing with conflicts of interest.		
5. Collecting personal and financial information.	**Principle of the Ethics Code:** A Financial Planner shall maintain confidentiality of all client information Practice Standard: **Gather the Client's Information** – Gather sufficient quantitative and qualitative information relative to the engagement before identifying possible strategies or making and/or implementing any recommendations	
6. Identifying client objectives, needs and priorities.	Practice Standard: **Identify the Client's Goals, Needs and Priorities -** Discuss the client's personal goals, needs and priorities before identifying	

FP Canada™ Advancing Professional Financial Planning

	possible strategies or making recommendations Practice Standard: **Assess the Client's Current Situation –** Identify and evaluate the strengths and weaknesses in the client's financial situation, perform required calculations, develop needed projections, and analyze and integrate the resulting information relative to the client's personal goals, needs and priorities Practice Standard: **Identify and Evaluate Appropriate Financial Planning Strategies** – Identify and assess the possible financial planning strategies to achieve the client's personal goals, needs and priorities	
8. Developing and presenting an integrated financial plan for a client.	Practice Standard: **Develop the Financial Planning Recommendations –** Develop and prioritize recommendations to help meet the client's personal goals, needs and priorities and aim to optimize the client's financial position Practice Standard: **Compile and Present the Financial Planning Recommendations and Supporting Rationale:** Present the financial planning recommendations and supporting rationale in a way that allows the client to make an informed decision	**Missing Planning Standards:** • **Implement the Financial Planning Criteria** – Complete the implementation actions for which the Financial Planner has assumed responsibility • **Explain the Role of the Financial Planner and Value of the Financial Planning Process** – Ensure the client understands the role of a Financial Planner and the value of the process of financial planning in identifying and meeting the client's personal goals, needs and priorities • **Define the Terms of the Engagement** – Work with the client to define and agree on the scope of the financial planning engagement, whether an initial or review engagement • **Discuss Implementation Actions, Responsibilities and**

		Time Frames – Gain the client's agreement regarding implementation actions, responsibilities and time frames. Stress the importance of a review and ongoing monitoring of the client's situation relative to their personal goals, needs and priorities periodically and as needed based on material changes in personal or external circumstances **Recommendation:** Amend language as per below to include increased focus on client comprehension and Financial Planer implementation of a financial plan **Revised:** *s.5 (b.5) Collect~~ing~~ personal and financial client information before identifying possible strategies or making and/or implementing any recommendations* s.5 (b.8) Developing, ~~and~~ presenting and implementing an integrated *financial plan for a client* *NEW s.5 (b.9) Explain the role of the Financial Planner and value of the financial planning process* *NEW s.5 (b.10) Define the terms of the engagement* *NEW s 5 (b.11) Discuss implementation actions, responsibilities and time frames*
(2) An approved credentialing body shall not issue an approved financial planning credential to an individual unless the individual has passed a documented examination process that adequately tests all components of the educational curriculum established pursuant to clause (1) (b).		
(3) An approved credentialing body shall require that any individual to whom it has issued an approved		

financial planning credential must comply with		
a) a code of ethics and professional standards that is consistent with the standard of care described in clause (1) (a), and	**Code of Ethics:** The Blue Book outlines 8 key principles of the Code of Ethics 1. Duty of Loyalty to the Client 2. Integrity 3. Objectivity 4. Competence 5. Fairness 6. Confidentiality 7. Diligence and 8. Professionalism	**Recommendation:** Include missing elements of the Blue Book around ethics into clause (1) (a) (see above)
(b) continuing education requirements that reinforce the requirements described in clause (1) (b).		
(4) For the purpose of section 2 of the Act, an individual's approved financial planning credential is in "good standing" if the individual continues to hold the credential and has satisfied the on-going requirements of the approved credentialing body including, without limitation, the requirements established pursuant to subsection (3).	FP Canada certificants must renew their certification annually to remain in "good standing" retain the rights to use the associated marks as outlined in section 4.1.1 of *CFP Certification Policies* and *QAFP Certification Policies*. This includes reporting any breaches of the Code of Ethics and attesting to having met continuing education requirements. A random audit of certificants is also conducted each year to ensure compliance with continuing education requirements.	

FP CANADA™

902-375 University Avenue, Toronto, Ontario M5G 2J5

416.593.8587 | 1.800.305.9886 | fpcanada.ca