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PERSONAL FINANCIAL PLANNING ADVISORY COUNCIL Terms of Reference

1. OVERVIEW

The mandate of the Personal Financial Planning Advisory (PFP®) Council (the Council) is to oversee the PFP® designation thereby ensuring that the requirements for and holders of the designation continually meet the highest educational, ethical, and professional standards. In doing so, the Council improves the quality of financial advice available to the investing public who rely on the knowledge and competence of PFP® designation holders. Increasing the recognition of PFP® holders as competent professionals by industry personnel and the investing public leads to greater visibility for both designation holders and the financial advice industry. The Personal Financial Planning Advisory (PFP®) Council has final authority on all matters related to PFP® certifications offered in Canada and internationally.

These terms of reference are to be reviewed on an annual (or as needed) basis.

2. AUTHORITY

Council members directly shape the PFP® designation and influence both the professional development of leaders in financial advice and the future of the industry.

By providing expert guidance, advice, and assistance to the Canadian Securities Institute (CSI) and Moody's Analytics in developing and implementing strategies, Council members add value, increase awareness, and ensure the continued credibility and growth of the PFP® designation. The PFP® Advisory Council:

- Shapes the PFP® program strategy to ensure the continued growth of the designation
- Approves the Code of Ethics and Standards of Professionalism for PFP® holders
- Oversees and approves the activities of sub-committees including any created and operated outside of Canada Establishes, approves, and reviews policies governing the PFP® profession including how to earn and retain the designation
- Establishes, approves, and reviews the body of knowledge and competency levels required to achieve the PFP® designation
- Approves the PFP® competency profile, examination blueprints and cut score recommendations
- Provide guidance in the review and continual improvement of the PFP® program to ensure the continued relevance to the industry

For quorum, 50% of the Council members plus one must be present at a meeting; CSI staff are considered as one member in total.

3. PERSONAL FINANCIAL PLANNING ADVISORY (PFP®) COUNCIL MEMBERSHIP

In order to achieve the goals of the Council, membership must be adequate and appropriate. The Council consists of 10-15 volunteer members plus CSI representation. Each member sits on the Council for a three-year term, with the potential to renew for another three-year term thereafter. The Chairperson is elected by the members. The Chairperson has a three-year term that can be renewed for a second term. The Chairperson may be requested to stay on for one additional year beyond the final term as Past-Chair as a resource to the new Chairperson for



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guidance. The Past-Chair will act on behalf of the Chair if the Chair is not able to carry out his or her duties.

A Vice-Chair will be a nominated member of the council. The Vice-Chair will act in the absence of the Chairperson. The vice-chair will serve a three-year term aligned with the term of the Chair.

Council members represent the various stakeholder groups of the PFP® designation. The Council shall include representatives from the financial services industry employers, the designation holder community, and when determined to be relevant, other stakeholders such as academia, corporate clients, subject matter experts, government regulatory agencies and the investing public. International members will be appointed if the PFP® is offered outside of Canada. A minimum of one person per country outside of Canada where the PFP® is offered will be appointed by a PFP® sub-committee active in that country.

Members are selected on an on-going basis through a call for nominations.

4. COUNCIL MEMBER RESPONSIBILITIES

When a person is serving on the Council they are not representing interests of their employer but interests of CSI and profession. To ensure that the goals are met, each member shall:

- State any conflicts of interest and recuse themselves in discussions where a conflict may be found to exist
- Attend and participate in a minimum of 75% of scheduled Council meetings – including cut score approvals
- Promote awareness of the PFP® designation within the financial services industry and among the investing public
- Provide insight into recommended PFP® awareness campaigns and events
- Serve on related committees where appropriate (e.g. evaluation or ethics committee)
- Participate in setting objectives for the Council based on the needs of the PFP® stakeholders, the investing public, and the industry
- Remain in good standing if the PFP® designation is held
- Council members will maintain the confidentiality of the position and will not:
 - discuss Council decisions
 - provide information other than information that is available to the public upon request

5. RELATED COMMITTEE PARTICIPATION

The PFP® Advisory Council may from time to time appoint individuals to committees to deal with specific issues related to violations of the Code of Ethics, certification decision appeals, examination considerations and policy development.

The PFP® Advisory Council may choose to appoint a Chairperson to a related committee (with the exception of the Ethics Committee where the committee selects its chairperson). These Committees generally consist of three to eight members and may be selected from within or outside the PFP® Advisory Council. For example, subject matter experts may be recruited to deal with specific examination concerns.



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6. QUALIFICATIONS OF MEMBERS

Members shall hold the following qualifications:

- Hold the PFP® designation or another appropriate advice related designationⁱ, or be a recognized leader, or academic consultant or have responsibility within a financial institution for determining of the competencies required of an individual providing financial advice
- Have 3 years' experience working or consulting with the financial services industry
- Be able to commit the time required to carry out the responsibilities as outlined above.

ⁱ Other recognized designations include (but are not restricted to) FCSI, CIWM, MTI, CFP, CIM CLU.