

CFP BOARD

FINANCIAL PLANNING ENGAGEMENTS DISCLOSURE GUIDE

**REFERENCE GUIDE TO PROVIDING INFORMATION
TO A CLIENT IN FINANCIAL PLANNING ENGAGEMENTS**

Information that must be provided to Clients in all Financial Advice Engagements

What Information Must I Share?	Which Documents May Contain This Information?	When Must I Provide the Information Under the Code and Standards? (Applicable Law May Have Additional Requirements)	How Must I Provide the Information Under the Code and Standards? (Applicable Law May Have Additional Requirements)
<p>Services and Products: A description of the services and products to be provided. <i>Code and Standards</i> Section A.10.a.i.</p>	<ul style="list-style-type: none"> • Form ADV Part 2(A): Item 4; • Engagement Letter or Agreement; • Investment Advisory Agreement; • Bank Trust Instrument and related documents required under state trust law; • Disclosure documents required by federal banking regulators; • Brokerage Agreement; • Offering Documents; • Prospectus; • Insurance Illustration(s); and • Form ADV, Part 3: Form CRS: Item 2. 	<p>Initially: Prior to or at the time of the Engagement. This information is typically provided at the first or second meeting with the Client.</p> <p>Required Updates: Whenever there is a Material change or update to the information.</p>	<p>In Writing (in one or more documents).</p>
<p>How the Client Pays: How the Client pays for the products and services, and a description of the additional types of costs that the Client may incur, including product management fees, surrender charges, and sales loads. <i>Code and Standards</i> Section A.10.a.ii.</p>	<ul style="list-style-type: none"> • Form ADV Part 2(A): Items 5, 6, 10, 12, 14, and 19.C; • Form ADV Part 2(B) Brochure Supplement: Item 5; • Engagement Letter or Agreement; • Investment Advisory Agreement; • Bank Trust Instrument and related documents required under state trust law; • Disclosure documents required by federal banking regulators; • Brokerage Agreement; • Offering Documents; • Prospectus; • Insurance Illustration(s); and • Form ADV, Part 3: Form CRS: Item 3. 		
<p>How You and Others are Compensated: How the CFP® professional, the CFP® Professional's Firm, and any Related Party are compensated for providing the products and services. <i>Code and Standards</i> Section A.10.a.iii.</p>	<ul style="list-style-type: none"> • Form ADV Part 2(A): Items 5, 6, 10, 12, 14, and 19C; • Form ADV Part 2(B) Brochure Supplement: Item 5; • Engagement Letter or Agreement; • Investment Advisory Agreement; • ERISA Section 408(b)(2) Sponsor disclosures; • Bank Trust Instrument and related documents required under state trust law; • Disclosure documents required by federal and state banking regulators; • Brokerage Agreement; • Offering Documents; • Prospectus; • Insurance Illustration(s); and • Form ADV, Part 3: Form CRS: Item 3. 		

Information that must be provided to Clients in all Financial Advice Engagements

What Information Must I Share?	Which Documents May Contain This Information?	When Must I Provide the Information Under the Code and Standards? (Applicable Law May Have Additional Requirements)	How Must I Provide the Information Under the Code and Standards? (Applicable Law May Have Additional Requirements)
<p>Public Discipline and Bankruptcy: The existence of any public discipline or bankruptcy, and the location(s), if any, of the webpages of all relevant public websites of any governmental authority, self-regulatory organization, or professional organization that sets forth the CFP® professional’s public disciplinary history or any personal bankruptcy or business bankruptcy where the CFP® professional was a Control Person. <i>Code and Standards</i> Section A.10.a.iv.</p>	<ul style="list-style-type: none"> • Form ADV Part 2(A): Items 9, 18.C, and 19.D; • Form ADV Part 2(B) Brochure Supplement: Items 3 and 7; • BrokerCheck Report – BrokerCheck.FINRA.org; • IAPD Report – Adviserinfo.SEC.gov; • CFP Board’s Verify-A-CFP® Professional Search Tool – cfp.net/verify-a-cfp-professional; • Public Access to Court Electronic Records (PACER) / Electronic Case Filing (ECF) Database – pacer.gov; and • Any other federal court website that contains the bankruptcy information; and • Form ADV, Part 3: Form CRS: Item 4. 	<p>Disciplinary and Bankruptcy Updates: Within 90 days of any Material changes and updates to public disciplinary history or bankruptcy information.</p>	<p>Orally or in Writing (in one or more documents).</p>
<p>Material Conflicts of Interest: Full disclosure of all Material Conflicts of Interest the CFP® professional’s Client that could affect the professional relationship. This obligation requires the CFP® professional to provide the Client with sufficiently specific facts so that a reasonable Client would be able to understand the CFP® professional’s Material Conflicts of Interest and the business practices that give rise to the conflicts, and give informed consent to such conflicts or reject them. <i>Code and Standards</i> Section A.5.a. and A.10.a.v.</p>	<ul style="list-style-type: none"> • Form ADV Part 2(A): Items 10, 12, and 14; • Engagement Letter or Agreement; • Investment Advisory Agreement; • ERISA Section 408(b)(2) Sponsor disclosures; • Bank Trust Instrument and related documents required under state trust law; • Bank disclosures pursuant to federal banking regulations; • Brokerage Agreement; • Offering Documents; • Prospectus; • Insurance Illustration(s); and • Form ADV, Part 3: Form CRS: Item 3. 	<p>Initially: Before or when providing any Financial Advice regarding which the CFP® professional has a Material Conflict of Interest.</p> <p>Required Updates: Whenever there is a Material change or update to the information.</p>	<p>Orally or in Writing (in one or more documents).</p> <p>If the information is provided orally, the CFP® professional must document the fact that the information was provided.</p> <p>As a best practice, CFP Board recommends that CFP® professionals provide this information in writing.</p>

Information that must be provided to Clients in all Financial Advice Engagements			
What Information Must I Share?	Which Documents May Contain This Information?	When Must I Provide the Information Under the Code and Standards? (Applicable Law May Have Additional Requirements)	How Must I Provide the Information Under the Code and Standards? (Applicable Law May Have Additional Requirements)
<p>Written Privacy Policies: Written notice of policies regarding the protection, handling, and sharing of a Client's non-public personal information. <i>Code and Standards</i> Section A.9.d. and A.10.a.vi.</p>	<ul style="list-style-type: none"> • Privacy Notice required under SEC's Regulation S-P; • Privacy Notice required under Consumer Financial Protection Bureau regulations; and • State-specific Privacy Notice(s). 	<p>Initially: At the time of the Engagement.</p> <p>Required Updates: Not less than annually (at least once in any 12-month period) unless:</p> <ol style="list-style-type: none"> Your policies have not changed since the last notice sent to the Client; and You do not disclose non-public personal information other than as permitted without a Client's consent. 	<p>In Writing (in one or more documents).</p>
<p>Referral Compensation Arrangement: Any arrangement by which someone who is not the Client will compensate or provide some other material economic benefit to you, your firm, or a related Party for engaging or recommending the selection or retention of additional persons to provide financial or Professional Services for a Client. <i>Code and Standards</i> Section A.13.a.ii. and A.10.a.vii.</p>	<ul style="list-style-type: none"> • Form ADV Part 2(A): Items 10, 11, 12, 14 and 19.C; • Engagement Letter or Agreement; • Investment Advisory Agreement; • ERISA Section 408(b)(2) Sponsor disclosures; and • Form ADV, Part 3: Form CRS: Item 3. 	<p>Initially: Prior to the Engagement or at the time of the recommendation.</p> <p>Required Updates: Whenever there is a Material change or update to the information.</p>	
<p>Other Material Information: Any other information about the CFP® professional or the CFP® Professional's Firm that is Material to a Client's decision to engage or continue to engage the CFP® professional or the CFP® Professional's Firm. <i>Code and Standards</i> Section A.10.a.viii.</p>	<ul style="list-style-type: none"> • Engagement Letter or Agreement; • Investment Advisory Agreement; • Bank trust agreement and related documents; • Brokerage Agreement; • Offering Documents; • Prospectus; • Insurance Illustration(s); and • Form ADV, Part 3: Form CRS: Item 5. 	<p>Initially: Prior to or at the time of the Engagement. This information is typically provided at the first or second meeting with the Client.</p> <p>Required Updates: Whenever there is a Material change or update to the information.</p> <p>Disciplinary and Bankruptcy Updates: Within 90 days of any Material changes and updates to public disciplinary history or bankruptcy information.</p>	

Information that must be provided to Clients in all Financial Advice Engagements

What Information Must I Share?	Which Documents May Contain This Information?	When Must I Provide the Information Under the <i>Code and Standards</i> ? (Applicable Law May Have Additional Requirements)	How Must I Provide the Information Under the <i>Code and Standards</i> ? (Applicable Law May Have Additional Requirements)
<p>Terms of Engagement: The terms of the Financial Planning Engagement between the Client and the CFP® professional or the CFP® Professional's Firm, including:</p> <ul style="list-style-type: none"> • The Scope of Engagement and any limitations; • The period(s) during which the services will be provided; and • The Client's responsibilities. <p>A CFP® professional is responsible for implementing, monitoring, and updating the Financial Planning recommendation(s) unless specifically excluded from the Scope of Engagement.</p> <p><i>Code and Standards</i> Section A.10.b.ii.</p>	<ul style="list-style-type: none"> • Form ADV Part 2(A); Items 14 and 16; • Bank Trust Agreement and related documents; • Brokerage Agreement; and • Insurance Illustration(s). 	<p>Initially: Prior to or at the time of the Engagement. This information is typically provided at the first or second meeting with the Client.</p> <p>Required Updates: Whenever there is a Material change or update to the information.</p>	<p>In Writing (in one or more documents).</p>
<p>Financial Planning Implementation Responsibilities (Unless Specifically Excluded from Scope of Engagement):</p> <ul style="list-style-type: none"> • The recommendations being implemented; and • The responsibilities of the CFP® professional, the Client, and any third party with respect to implementation. <p><i>Code and Standards</i> Section C.6.a.</p>	<ul style="list-style-type: none"> • Engagement Letter or Agreement; • Investment Advisory Agreement; • Bank Trust Agreement and related documents; • Brokerage Agreement; and • Insurance Illustration(s). 	<p>Prior to or at the time of the Engagement, whenever the CFP® professional has implementation responsibilities (which are assumed unless they have been specifically excluded from the Scope of Engagement).</p> <p>Required Updates: Whenever there is a Material change or update to the information.</p>	
<p>Financial Planning Monitoring and Updating Responsibilities (Unless Specifically Excluded from Scope of Engagement):</p> <ul style="list-style-type: none"> • Which actions, products, and services are and are not subject to the CFP® professional's monitoring responsibility; • How and when the CFP® professional will monitor the actions, products, and services; • The Client's responsibility to inform the CFP® professional of any Material changes to the Client's qualitative and quantitative information; • The CFP® professional's responsibility to update the Financial Planning recommendations; and • How and when the CFP® professional will update the Financial Planning recommendations. <p><i>Code and Standards</i> Section C.7.a.</p>	<ul style="list-style-type: none"> • Engagement Letter or Agreement; • Investment Advisory Agreement; • Bank Trust Agreement and related documents; • Brokerage Agreement; and • Insurance Illustration(s). 	<p>Prior to or at the time of the Engagement, whenever the CFP® professional has monitoring and updating responsibilities (which are assumed unless they have been specifically excluded from the Scope of Engagement).</p> <p>Required Updates: Whenever there is a Material change or update to the information.</p>	

CFP BOARD

CERTIFIED FINANCIAL PLANNER BOARD OF STANDARDS, INC.

1425 K St NW #800 Washington, DC 20005
800.487.1497 | f 202.379.2299 | mail@CFPBoard.org | CFP.net

©2020 Certified Financial Planner Board of Standards, Inc. All rights reserved.