



CERTIFICATION BYLAWS OF FINANCIAL ADVICE NEW ZEALAND


Financial Advice
NEW ZEALAND

Contents

1.	Purpose.....	2
2.	Certification Committee and its Role.....	2
3.	Certification Bylaws requirements for professional designation	3
4.	Supervision and Experience for Certification Marks.....	3
5.	Education for Certification Marks.....	4
6.	Case Study Assessment for Certification Marks.....	4
7.	Examination for Certification Marks.....	4
8.	Approvals of the Certification Committee	4
9.	Application to re-instate Certification Marks	5
10.	Appeals by affected Members of decisions of the Certification Committee.....	5
11.	Breaches of Bylaws.....	6
12.	Ethical Breaches	6
13.	Non-Standard Membership Applications.....	7
14.	Non-Standard Quality Service Mark Applications & Renewals.....	7
APPENDIX.....		8
1.	Certified Financial Planner ^{CM}	8
2.	Certified Life Underwriter _{CM}	8
3.	Professional Designation Certificate	8
4.	Maintaining CERTIFIED FINANCIAL PLANNER ^{CM} designation while not practising	9
5.	Reissuing of CERTIFIED FINANCIAL PLANNER ^{CM} CERTIFICATION Annual Certificate to Practise.....	9
6.	Maintaining Chartered Life Underwriter or Certified Life Underwriter _{CM} designation while not practising	9
7.	Reissuing of Chartered Life Underwriter or Certified Life Underwriter ^{CM} Annual Certificate to Practise	10
8.	Application to use a CERTIFIED FINANCIAL PLANNER ^{CM} and Certified Life Underwriter ^{CM} mark if in the financial services sector but not giving financial advice.....	10

For definition please refer to the

“Definitions – Membership, Certification and Disciplinary Bylaws and Terms of Reference for their Committees and Panels”

CFP^{CM} and  are registered certification marks and CERTIFIED FINANCIAL PLANNER^{CM} is a common law certification mark owned outside the U.S. by Financial Planning Standards Board Ltd. Financial Advice New Zealand is the marks licensing authority for the CFP Marks in New Zealand, through agreement with FPSB.

1. PURPOSE

- 1.1 Under clause 3.1.4 of Financial Advice New Zealand's Constitution, its objects include:
"To support and promote education and certification of Financial Advisers including CFP certification as the symbol of excellence for financial planning in New Zealand"
- 1.2 The Board has adopted the Certification Marks in order to support achievement of that object and has appointed the Certification Committee to provide administration and oversight of the Certification Marks.
- 1.3 The operation of all rules and bylaws relating to Certification Marks are subject to all applicable licensing conditions imposed by FPSB.
- 1.4 The purpose of the Certification Bylaws is to provide a policy framework for the work of the Certification Committee.

2. CERTIFICATION COMMITTEE AND ITS ROLE

- 2.1 The term Certification Committee has defined by clause 5.1 of the Constitution.
- 2.2 The primary role of the Certification Committee is to administer and oversee the certification marks granted to the Members.
- 2.3 It is the sole power and discretion of the Certification Committee, under the Certification Bylaws, to award, rescind, reinstate or suspend the certification marks of the organisation granted to the Members namely; CERTIFIED FINANCIAL PLANNER^{CM} /CFP^{CM}, Certified Life Underwriter_{CM} /CLU_{CM} and Chartered Life Underwriter / CLU.
- 2.4 The Committee, under the Certification Bylaws, has the power to suspend or withdraw by Resolution; an Annual Certificate to Practise, the quality service mark and Membership of the Association.
- 2.5 The Certification Committee's secondary role, under the Membership Bylaws, is to be a body from which the Chief Executive may:
 - a) seek advice and recommendations regarding the non-standard applications of members into the Association, and
 - b) seek advice and recommendations regarding the non-standard applications of members to the quality service mark or renewing of the quality service mark.

3. CERTIFICATION BYLAWS REQUIREMENTS FOR PROFESSIONAL DESIGNATION

- 3.1 The Certification Bylaws are established by the Board, under clause 11 of the Constitution
- 3.2 Practitioner Members are encouraged to consider CERTIFIED FINANCIAL PLANNER^{CM} and or Certified Life Underwriter_{CM} designation along with any other designations the Board may approve.
- 3.3 The CFP^{CM} and CLU_{CM} designations awarded by the foundation predecessor association; the Institute of Financial Advisers, shall be recognised by Financial Advice New Zealand, providing that the Member has maintained all other Membership requirements.
- 3.4 Up until 31 December 2014 there was also a Chartered Life Underwriter designation awarded by the Institute of Financial Advisers. Any member who has achieved the Chartered Life Underwriter designation may continue to use the professional designation whilst they maintain their Association membership.
- 3.5 From 1 January 2015 the Chartered Life Underwriter designation was replaced with the Certified Life Underwriter_{CM} designation. Any member who has achieved the Certified Life Underwriter_{CM} designation may continue to use the professional designation whilst they maintain their Association membership.
- 3.6 The pre-requisites to be awarded, and maintain, the CFP^{CM} and CLU_{CM} designations are set out in the Appendix.
- 3.7 The Board may develop and introduce other designations and Certification Marks from time to time.

4. SUPERVISION AND EXPERIENCE FOR CERTIFICATION MARKS

- 4.1 Experience, supervision and experience policy and requirements for the Certification Marks are managed as follows:
 - a) Experience, Supervision and Portfolio of Experience policy and requirements for Members are approved by the Board, with advice from the Member Advisory Committees (MACs).
 - b) The Certification Committee is responsible for the approval and oversight of Experience, Supervision and Portfolio of Experience arrangements.
 - c) The Certification Committee approves the processes and appointment of Supervisors for Members under Supervision Agreements.
 - d) The Certification Committee reviews and approves the completed Supervisor Reports and assesses and approves a Member's Portfolio of Experience.
 - e) The Certification Committee may require of a Member, and at its discretion, additional Supervisor Reports, requirements or extend the period of Supervision.

5. EDUCATION FOR CERTIFICATION MARKS

5.1 The education requirements for the Certification Marks are managed as follows:

- a) The education requirements for certification marks for Members are approved by the Board, with advice from the Member Advisory Committees (MACs).
- b) The Certification Committee assesses whether Members have completed the approved training and achieved the required qualifications for the award of certification marks.
- c) Where an applicant has completed alternative educational qualifications, the Certification Committee may approve whether these may be accepted as meeting the approved training requirements, in whole or in part.
- d) The Certification Committee may determine that the Member must achieve further training and qualifications, or part thereof, to meet the education requirements for a certification mark.

6. CASE STUDY ASSESSMENT FOR CERTIFICATION MARKS

6.1 Case study assessments for the Certification Marks are managed as follows:

- a) The Certification Committee is responsible for overseeing the processes relating to the Case Study exercise as an assessment requirement for the certification marks.
- b) The Certification Committee will approve case studies, the release of case studies and their guidance notes.
- c) The Certification Committee will receive for each financial plan submitted by a Practitioner Member on a case study, a recommendation and assessment from the Assessor on whether it has met the professional standard.
- d) The Practitioner Members of the Certification Committee, in committee, shall then make the decision on whether it has met the standard required or not.

7. EXAMINATION FOR CERTIFICATION MARKS

7.1 The Certification Committee will oversee and monitor the exam processes and results.

8. APPROVALS OF THE CERTIFICATION COMMITTEE

8.1 The Certification Committee has the absolute discretion, subject to appeal under clause 10, to grant or refuse an application for an Association Certification Mark and shall not be required to give reasons for such refusal, either to the applicant or the Board.

8.2 Before awarding a Certification Mark, the Certification Committee must be satisfied that the candidate has met all the relevant standards as set out in the Bylaws, guidelines and processes of the Association.

8.3 The Certification Committee approves other changes in certification mark status e.g. applications for temporary suspension of CFP^{CM} and CLU_{CM} status

9. APPLICATION TO RE-INSTATE CERTIFICATION MARKS

- 9.1 The Certification Committee has sole powers to approve applications by former holders of certification marks to regain their designations.
- 9.2 The Certification Committee sets and approves the Continuing Professional Development (CPD) and additional education and assessment requirements for retired or inactive Members who wish to return to active Practitioner membership.
- 9.3 In the case of a Member who seeks to reinstate their certification mark within a two year period of their certification mark having lapsed, then the normal requirements are that the CPD, continuous experience as a financial adviser and ethical requirements of that Member must be satisfied or such requirements as are determined by the Certification Committee.
- 9.4 If the lapse period of the mark is longer than two years, the Member who applies to reinstate their certification mark needs, in addition to the requirements above, to meet the current qualification and assessment requirements of the Association for the mark, or such requirements as determined by the Certification Committee.

10. APPEALS BY AFFECTED MEMBERS OF DECISIONS OF THE CERTIFICATION COMMITTEE

- 10.1 In the case of any decision of the Certification Committee, for example in regard to a case study assessment, a decision to withdraw, suspend, or not to reinstate a certification mark, quality service mark or membership, an affected Member has the right of Review to the Certification Committee where the Member has additional information material to the decision of the Certification Committee.
- 10.2 Following that Review under clause 10.1 a Member has a right of final appeal.
- 10.3 If there is an appeal under Clause 10.2, the Board Chair shall convene a Certification Appeal Panel consisting of; the standing Chair of the Certification Appeal Panel, and additionally appoint two senior Practitioner Members with the relevant certification marks or senior Practitioner Members with the relevant knowledge and experience, to review the Certification Committee's decision and Review and make a final and binding decision on the appeal matter.
- 10.4 The Certification Appeal Panel shall have full access to the Certification Committee papers relevant to the appeal and may consult with any member of the Certification Committee, staff member or Chair of the relevant Member Advisory Committees, or make requests of information from the appellant, as they see fit.
- 10.5 The Chief Executive, on behalf of the Board, shall then advise the Member of the outcome of their appeal.

11. BREACHES OF BYLAWS

11.1 The Certification Committee has the power to suspend or withdraw by Resolution;

- an Annual Certificate to Practise,
- the Quality Service Mark,
- Certification marks,
- Membership of the Association

where a Member does not comply with the criteria for Membership as laid down by the Membership & Certification Bylaws, in particular, where they relate to educational, continuing professional development, compliance and other professional requirements.

11.2 In the case of decisions of the Certification Committee exercised under Clause 11.1 the affected Member has the right of Review to the Certification Committee and following that Review a right of final appeal to the Board under clause 10.

11.3 Where non-compliance relates to ethical requirements, such as good moral character and business ethics, then the process to be followed is for the Association to make a complaint under the Disciplinary Bylaws and the matter referred in the first instance to the Professional Conduct Committee.

12. ETHICAL BREACHES

12.1 Membership of the Association can be terminated or suspended by the Professional Conduct Committee or Adjudication Body, or Board of the Association in accordance with the Disciplinary Bylaws.

12.2 Following a determination by the Professional Conduct Committee, Adjudication Body, or Board under the Disciplinary Bylaws, the Certification Committee may meet and consider:

- a) Withdrawal or suspension of a Member's certification marks
- b) Withdrawal or suspension of a Member's quality service mark
- c) Requirement for additional mentoring or/and supervision requirements
- d) Requirement for additional educational and/or Continuing Professional Development requirements
- e) Or any other requirement as deemed necessary by the Certification Committee of the Member.

13. NON-STANDARD MEMBERSHIP APPLICATIONS

13.1 The Chief Executive, in the case of non-standard applications for membership to the Association, where judgment is required or if there is any doubt about the suitability, eligibility, or such aspects as recognition of prior experience, assessment of overseas qualifications for recognition in New Zealand, may refer to application to the Certification Committee.

13.2 The Certification Committee may provide advice, by way of recommendation to the Board, on non-standard applications to membership.

14. NON-STANDARD QUALITY SERVICE MARK APPLICATIONS & RENEWALS

14.1 The Chief Executive, in the case, where judgment is required or if there is any doubt about the suitability, eligibility in awarding or renewing the Quality Service mark, may refer to the application or renewal to the Certification Committee.

14.2 The Certification Committee may provide advice, by way of recommendation to the Board, on non-standard applications or renewals to the quality service mark.

14.3 If there is an appeal by the affected Member to a decision of the Chief Executive under Clause 14.1, the affected Member has under Clause 10 the right of Review to the Certification Committee and following that Review a right of final appeal to the Board.

14.4 The Chief Executive, on behalf of the Board, shall then advise the Member of outcome of their appeal.

APPENDIX

PRE-REQUISITES TO BE AWARDED, AND MAINTAIN THE CFP^{CM} and CLU_{CM} DESIGNATIONS

1. CERTIFIED FINANCIAL PLANNER^{CM}

To obtain the CERTIFIED FINANCIAL PLANNER^{CM} designation a Member shall:

1. Be a Practitioner Member;
2. Have a satisfactory ethical record and no unresolved complaints lodged with either the Association, its predecessor Associations or other relevant external body.
3. Have completed 3 years of experience relevant to the mark as a financial adviser;
4. Hold an Association approved tertiary qualification acceptable to the Certification Committee (the onus is on the Member to satisfy the Committee of the suitability of any alternative qualification);
5. Complete 12 months approved supervision, or obtain approval of a Portfolio of Experience for the previous 3 years.
6. Pass any Case Study Exercise/Examination set by the Association as a final requirement for this class of Membership.

2. CERTIFIED LIFE UNDERWRITER_{CM}

To obtain the designation Certified Life Underwriter_{CM} a Member shall:

1. Be a Practitioner Member;
2. Have a satisfactory ethical record and no unresolved complaints lodged with either the Association, its predecessor Associations or other relevant external body.
3. Have completed 3 years of experience relevant to the mark as a financial adviser;
4. Hold an Association approved tertiary qualification acceptable to the Certification Committee (the onus is on the Member to satisfy the Committee of the suitability of any alternative qualification);
5. Complete 12 months approved supervision, or obtain approval of a Portfolio of Experience for the previous 3 years.
6. Pass any Case Study Exercise/Examination set by the Association as a final requirement for this class of Membership;

3. PROFESSIONAL DESIGNATION CERTIFICATE

On attainment of either the CFP^{CM} or CLU_{CM} designation, the Association may issue a certificate. This certificate remains the property of the Association and must be surrendered to the Association on ceasing Membership or any other time as requested by the Association.

4. MAINTAINING CERTIFIED FINANCIAL PLANNER^{CM} DESIGNATION WHILE NOT PRACTISING

In order to maintain the CERTIFIED FINANCIAL PLANNER^{CM} designation while not practising Members shall;

1. Notify the Association in writing of their intention to cease practising stating the date at which the cessation will commence; and
2. Return all Annual Certificates to Practice to the Financial Advice New Zealand Office; and
3. Cease any use of the designation, and
4. Maintain financial Membership of the Association; and
5. Pay any fees associated with the CERTIFIED FINANCIAL PLANNER^{CM} designation; and
6. Refrain from giving financial advice until such time as the Committee approves the reissuing of an Annual Certificate to Practice.

5. REISSUING OF CERTIFIED FINANCIAL PLANNER^{CM} CERTIFICATION ANNUAL CERTIFICATE TO PRACTISE

To have an Annual Certificate to Practise reissued after a period of not practising a Member shall;

1. Apply in writing for the reissuing of their Annual Certificate to Practise; and
2. Provide evidence of all CPD activities completed while not practising; and
3. Complete such approved supervision or educational requirements as may be set and in the time frame laid down by the Certification Committee; and
4. Pay any fees associated with the CERTIFIED FINANCIAL PLANNER^{CM} designation relating to the financial year in which the application for reissue of the Annual Certificate to Practise is made.

6. MAINTAINING CHARTERED LIFE UNDERWRITER OR CERTIFIED LIFE UNDERWRITER_{CM} DESIGNATION WHILE NOT PRACTISING

In order to maintain the Chartered Life Underwriter or Certified Life Underwriter_{CM} designation while not practising, a Member shall:

1. Notify the Association in writing of their intention to cease practising stating the date at which the cessation will commence; and
2. Return all Annual Certificates to Practice to the Financial Advice New Zealand Office; and
3. Cease any use of the designation, and
4. Maintain financial Membership of the Association; and
5. Pay any fees associated with the Chartered Life Underwriter or Certified Life Underwriter_{CM} designation; and

6. Refrain from giving risk and/or financial advice until such time as the Committee approves the reissuing of an Annual Certificate to Practise as detailed in clause 7 below.

7. REISSUING OF CHARTERED LIFE UNDERWRITER OR CERTIFIED LIFE UNDERWRITER^{CM} ANNUAL CERTIFICATE TO PRACTISE

To have their Annual Certificate to Practise reissued after a period of not practising a Member shall;

1. Apply in writing for the reissuing of their Annual Certificate to Practise; and
2. Provide evidence of all CPD activities completed while not practising; and
3. Complete such supervision and/or educational requirements as may be set and in the time frame laid down by the Committee; and
4. Pay any fees associated with the Chartered Life Underwriter or Certified Life Underwriter^{CM} designation relating to the financial year in which the application for reissue of the Annual Certificate to Practise is made.

8. APPLICATION TO USE CERTIFIED FINANCIAL PLANNER^{CM} AND CERTIFIED LIFE UNDERWRITER^{CM} MARK IF IN FINANCIAL SERVICES SECTOR BUT NOT GIVING FINANCIAL ADVICE.

In the case where the Member wishes to attain or maintain their mark, and has neither retail clients nor provides regulated financial advice, but is actively involved in the New Zealand financial services sector in a role such as; a sector consultant, academic, educator or role whereby they are involved in the process of giving advice. The Committee may, at their sole discretion, allow the Member their mark with the following conditions;

1. The applicant applies in writing to the Committee detailing their involvement and role in the financial services sector.
2. The applicant undertake to maintain their annual CPD in compliance with Association policy for the mark, as required by Practitioner Members.
3. Pay any fees associated with the CERTIFIED FINANCIAL PLANNER^{CM} or Certified Life Underwriter^{CM} designation relating to the financial year in which the application for reissue of the Annual Certificate to Practise is made.
4. Always use the mark according to the published guidelines for those not practicing financial advice in NZ
5. Refrain from providing regulated financial advice until such time as the Committee approves the issuing of an Annual Certificate to Practise.