

**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><b>Services and Products:</b> 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"> <li>• Form ADV Part 2(A): Item 4;</li> <li>• Engagement Letter or Agreement;</li> <li>• Investment Advisory Agreement;</li> <li>• Bank Trust Instrument and related documents required under state trust law;</li> <li>• Disclosure documents required by federal banking regulators;</li> <li>• Brokerage Agreement;</li> <li>• Offering Documents;</li> <li>• Prospectus;</li> <li>• NAIC Insurance or Annuity Buyer’s Guide;</li> <li>• Life insurance policy summary;</li> <li>• Annuity disclosure;</li> <li>• Insurance agent disclosure for annuities; and</li> <li>• Form ADV, Part 3: Form CRS: Item 2.</li> </ul>	<p><b>Initially:</b> 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><b>Required Updates:</b> Whenever there is a Material change or update to the information.</p>	<p><b>In Writing</b> (in one or more documents).</p>
<p><b>How the Client Pays:</b> 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"> <li>• Form ADV Part 2(A): Items 5, 6, 10, 12, 14, and 19.C;</li> <li>• Form ADV Part 2(B) Brochure Supplement: Item 5;</li> <li>• Engagement Letter or Agreement;</li> <li>• Investment Advisory Agreement;</li> <li>• Bank Trust Instrument and related documents required under state trust law;</li> <li>• Disclosure documents required by federal banking regulators;</li> <li>• Brokerage Agreement;</li> <li>• Offering Documents;</li> <li>• Prospectus;</li> <li>• NAIC Insurance or Annuity Buyer’s Guide;</li> <li>• Life insurance policy summary;</li> <li>• Annuity disclosure;</li> <li>• Insurance agent disclosure for annuities; and</li> <li>• Form ADV, Part 3: Form CRS: Item 3.</li> </ul>		
<p><b>How You and Others are Compensated:</b> 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"> <li>• Form ADV Part 2(A): Items 5, 6, 10, 12, 14, and 19C;</li> <li>• Form ADV Part 2(B) Brochure Supplement: Item 5;</li> <li>• Engagement Letter or Agreement;</li> <li>• Investment Advisory Agreement;</li> <li>• ERISA Section 408(b)(2) Sponsor disclosures;</li> <li>• Bank Trust Instrument and related documents required under state trust law;</li> <li>• Disclosure documents required by federal and state banking regulators;</li> <li>• Brokerage Agreement;</li> <li>• Offering Documents;</li> <li>• Prospectus;</li> <li>• Insurance agent disclosure for annuities; and</li> <li>• Form ADV, Part 3: Form CRS: Item 3.</li> </ul>		

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<p><b>Public Discipline and Bankruptcy:</b> 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.</p> <p><i>Code and Standards</i> Section A.10.a.iv.</p>	<ul style="list-style-type: none"> <li>• Form ADV Part 2(A): Items 9, 18.C, and 19.D;</li> <li>• Form ADV Part 2(B) Brochure Supplement: Items 3 and 7;</li> <li>• BrokerCheck Report – <a href="http://BrokerCheck.FINRA.org">BrokerCheck.FINRA.org</a>;</li> <li>• IAPD Report – <a href="http://Adviserinfo.SEC.gov">Adviserinfo.SEC.gov</a>;</li> <li>• CFP Board's Verify-A-CFP® Professional Search Tool – <a href="http://cfp.net/verify-a-cfp-professional">cfp.net/verify-a-cfp-professional</a>;</li> <li>• Public Access to Court Electronic Records (PACER) / Electronic Case Filing (ECF) Database – <a href="http://pacer.gov">pacer.gov</a>; and</li> <li>• Any other federal court website that contains the bankruptcy information;</li> <li>• Form ADV, Part 3: Form CRS: Item 4; and</li> <li>• state insurance department websites.</li> </ul>	<p><b>Disciplinary and Bankruptcy Updates:</b> Within 90 days of any Material changes and updates to public disciplinary history or bankruptcy information.</p>	<p><b>Orally or in Writing</b> (in one or more documents).</p>
<p><b>Material Conflicts of Interest:</b> 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.</p> <p><i>Code and Standards</i> Section A.5.a. and A.10.a.v.</p>	<ul style="list-style-type: none"> <li>• Form ADV Part 2(A): Items 10, 12, and 14;</li> <li>• Engagement Letter or Agreement;</li> <li>• Investment Advisory Agreement;</li> <li>• ERISA Section 408(b)(2) Sponsor disclosures;</li> <li>• Bank Trust Instrument and related documents required under state trust law;</li> <li>• Bank disclosures pursuant to federal banking regulations;</li> <li>• Brokerage Agreement;</li> <li>• Offering Documents;</li> <li>• Prospectus;</li> <li>• Insurance agent disclosure for annuities; and</li> <li>• Form ADV, Part 3: Form CRS: Item 3.</li> </ul>	<p><b>Initially:</b> Before or when providing any Financial Advice regarding which the CFP® professional has a Material Conflict of Interest.</p> <p><b>Required Updates:</b> Whenever there is a Material change or update to the information.</p>	<p><b>Orally or in Writing</b> (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>

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<p><b>Written Privacy Policies:</b> 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"> <li>• Privacy Notice required under SEC's Regulation S-P;</li> <li>• Privacy Notice required under Consumer Financial Protection Bureau regulations; and</li> <li>• State-specific Privacy Notice(s).</li> </ul>	<p><b>Initially:</b> At the time of the Engagement.</p> <p><b>Required Updates:</b> Not less than annually (at least once in any 12-month period) unless:</p> <ul style="list-style-type: none"> <li>i. Your policies have not changed since the last notice sent to the Client; and</li> <li>ii. You do not disclose non-public personal information other than as permitted without a Client's consent.</li> </ul>	<p><b>In Writing</b> (in one or more documents).</p>
<p><b>Referral Compensation Arrangement:</b> 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"> <li>• Form ADV Part 2(A): Items 10, 11, 12, 14 and 19.C;</li> <li>• Engagement Letter or Agreement;</li> <li>• Investment Advisory Agreement;</li> <li>• ERISA Section 408(b)(2) Sponsor disclosures; and</li> <li>• Form ADV, Part 3: Form CRS: Item 3.</li> </ul>	<p><b>Initially:</b> Prior to the Engagement or at the time of the recommendation.</p> <p><b>Required Updates:</b> Whenever there is a Material change or update to the information.</p>	
<p><b>Other Material Information:</b> 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"> <li>• Engagement Letter or Agreement;</li> <li>• Investment Advisory Agreement;</li> <li>• Bank trust agreement and related documents;</li> <li>• Brokerage Agreement;</li> <li>• Offering Documents;</li> <li>• Prospectus; and</li> <li>• Form ADV, Part 3: Form CRS: Item 5.</li> </ul>	<p><b>Initially:</b> 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><b>Required Updates:</b> Whenever there is a Material change or update to the information.</p> <p><b>Disciplinary and Bankruptcy Updates:</b> Within 90 days of any Material changes and updates to public disciplinary history or bankruptcy information.</p>	

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<p><b>Terms of Engagement:</b> 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"> <li>• The Scope of Engagement and any limitations;</li> <li>• The period(s) during which the services will be provided; and</li> <li>• The Client's responsibilities.</li> </ul> <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"> <li>• Form ADV Part 2(A): Items 14 and 16;</li> <li>• Bank Trust Agreement and related documents;</li> <li>• Brokerage Agreement.</li> </ul>	<p><b>Initially:</b> 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><b>Required Updates:</b> Whenever there is a Material change or update to the information.</p>	<p><b>In Writing</b> (in one or more documents).</p>
<p><b>Financial Planning Implementation Responsibilities (Unless Specifically Excluded from Scope of Engagement):</b></p> <ul style="list-style-type: none"> <li>• The recommendations being implemented; and</li> <li>• The responsibilities of the CFP® professional, the Client, and any third party with respect to implementation.</li> </ul> <p><i>Code and Standards</i> Section C.6.a.</p>	<ul style="list-style-type: none"> <li>• Engagement Letter or Agreement;</li> <li>• Investment Advisory Agreement;</li> <li>• Bank Trust Agreement and related documents;</li> <li>• Brokerage Agreement.</li> </ul>	<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><b>Required Updates:</b> Whenever there is a Material change or update to the information.</p>	
<p><b>Financial Planning Monitoring and Updating Responsibilities (Unless Specifically Excluded from Scope of Engagement):</b></p> <ul style="list-style-type: none"> <li>• Which actions, products, and services are and are not subject to the CFP® professional's monitoring responsibility;</li> <li>• How and when the CFP® professional will monitor the actions, products, and services;</li> <li>• The Client's responsibility to inform the CFP® professional of any Material changes to the Client's qualitative and quantitative information;</li> <li>• The CFP® professional's responsibility to update the Financial Planning recommendations; and</li> <li>• How and when the CFP® professional will update the Financial Planning recommendations.</li> </ul> <p><i>Code and Standards</i> Section C.7.a.</p>	<ul style="list-style-type: none"> <li>• Engagement Letter or Agreement;</li> <li>• Investment Advisory Agreement;</li> <li>• Bank Trust Agreement and related documents;</li> <li>• Brokerage Agreement.</li> </ul>	<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><b>Required Updates:</b> Whenever there is a Material change or update to the information.</p>	

# **CFP BOARD**

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