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# Presentation to MURA

## Hiring a Financial Planner: Do's and Don'ts

# Agenda

- About IQPF
- What sort of services should be expected from a financial planner?
- What are the tangible benefits of hiring a financial planner?
- How much does a financial planner cost?
- How does one find a trusted financial planner?

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# About the Institut québécois de planification financière

**IQPF** Institut québécois  
de planification  
financière

# Title / Practise Restriction

- IQPF contributes to the protection and economic well-being of Quebec consumers by overseeing the training and qualification of financial planners.
- IQPF is the only institution authorized to award the financial planner diploma.
- IQPF monitors the professional development of its graduates.

# Title / Practise Restriction

- IQPF establishes rules and standards for professional training.
- IQPF is the only grouping reserved exclusively for financial planners.
- Currently, 5,000 financial planners are authorized to practise the profession in Quebec.

# To Obtain F.PI. Designation

- Candidates must first complete a personal financial planning university program approved by the IQPF.
- Alternatively have the academic equivalency.
- Must follow the IQPF's Professional Training Course.
- Must pass the IQPF exam.

# Using the F.PI. Designation

“Only professionals recognized by the Institut québécois de planification financière are authorized to use the title of Financial Planner (F.PI.) in Quebec.”



# IQPF

## Vision

To stand as the benchmark for personal finance through the official recognition of the profession of financial planner, for the protection of the public.

## Mission

To protect the personal finances of the public by training financial planners and establishing standards of professional practice.

## Values

- Commitment
- Excellence
- Integrity
- Diligence
- Transparency



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What sort of services  
should be expected from a  
financial planner?

# The Role of Financial Planning

Financial planning is a multi-step process that consists of:

- A rigorous evaluation of an individual's personal financial situation.
- A comparison to the desired future situation (behavioural finance).
- The development of develop strategies adapted to the needs and priorities of the individual that will enable them to achieve their objectives by aiming for the optimal allocation of resources.

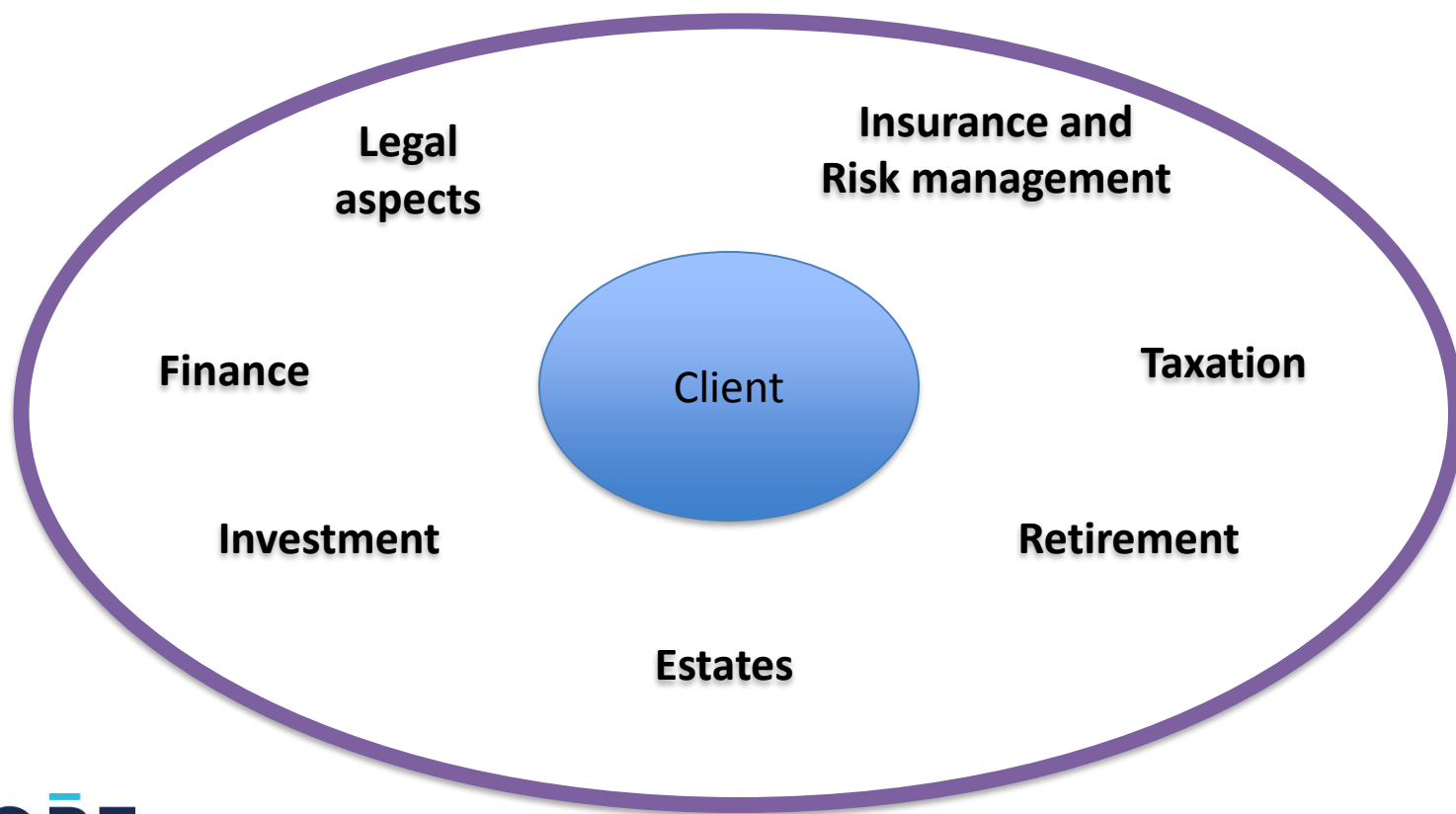
The interdependence of the financial planning different fields of intervention must be taken into account in the formulation of appropriate strategies.



# The Role of Financial Planning

The possible fields of intervention are:

Financial Planner



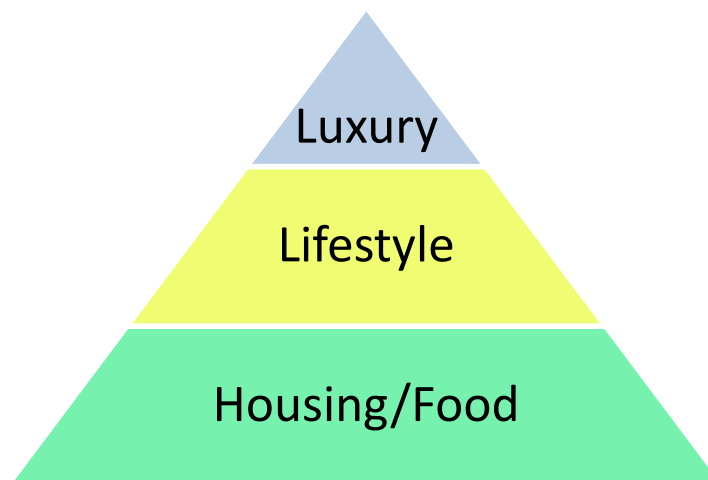
# The Role of Financial Planning

- Financial planning is an ongoing process that includes a regular review of an individual's progress in achieving their goals, needs and priorities, a re-evaluation of existing financial strategies, and updates when warranted.
- Political, economic, personal change, etc...



# The Financial Planner's Role

- The financial planner works according to steps taught in the IQPF's professional training course.
  - A situational analysis framework composed of six situations covering an individual's financial environment.
  - An advisory role according to the individual person and their needs (Behavioural Finance), **taking into account their priorities and constraints.**



# The Financial Planner's Role

The six situations are:

- Personal and family situation
- Financial situation
- Tax situation
- Protection situation
- Retirement situation
- Situation at death

# The Financial Planner's Role

Most respondents are aware that a financial planner can help them with:

- Investments – 89%
- Retirement – 84%
- Financial matters – 78%

Fewer in proportion are aware that a financial planner can also provide guidance on:

- Tax – 58%
- Estate – 47%
- Insurance – 44%
- Legal issues – 42%

Survey conducted on behalf of IQPF by SOM in October 2019; included more than 1,000 Quebec Internet users

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What are the tangible  
benefits of hiring a  
financial planner?



# The tangible benefits

Advice is good. A real financial plan is better.

- Financial Planners are bound by a code of conduct and strict rules, so they must be particularly empathetic, humane and rigorous. This is what the very nature of their profession demands.

# The tangible benefits

Do I have enough money to need a financial planner?

- That is a wrong question!
- Good financial planning allows you to optimize your assets, whatever they may be. It can therefore be even more useful and relevant when your means are more limited.
- The F. Pl. adapts his plan to his clients' means, taking into account their portfolio, needs and constraints. The strategy and the measures he then proposes are realistic and coherent, and make it possible to achieve the objectives set. These are valuable assets that help make the right decisions at important stages of life.

# The tangible benefits

I have a friend who's great about all this; he often gives me really useful tips.

- Maybe, but does this friend have a university degree in financial planning? Does he have a good overview of your financial situation? The role of a financial planner goes far beyond giving advice between hockey games.
- Since the financial planner is a personal finance professional, he or she takes into account general knowledge in the following seven areas: legal aspects, insurance and risk management, finances, taxation, investment, retirement and estate.
- Thus, by analyzing his client's overall financial situation, he can propose a complete and personalized action plan that will evolve over time.

# The tangible benefits

- Financial issues cause insomnia for 25% of respondents
- The biggest areas of concern in financial matters are:
  - repaying debts – 31%
  - preparing for retirement – 18%
  - financing a personal project – 12%

Survey conducted on behalf of IQPF by SOM in October 2018; included more than 1,000 Quebec Internet users

# The tangible benefits

- 72% of respondents feel they do not have all the knowledge they need to adequately plan their financial future. Among these
  - 87% do not have a plan
  - 86% feel they need help to do so

Internet Survey conducted on behalf of IQPF by SOM in October 2019; included more than 1,000 Quebecers;

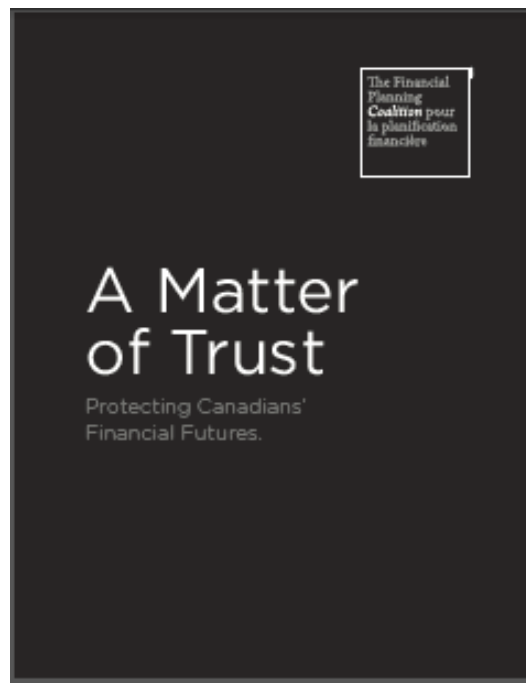
# The tangible benefits

When they think of a project that is important to them that needs to save money:

- 38% have a plan and have already made arrangements
- 25% are thinking of a plan
- 18% may be able to do so with some help
  - 23% think they need help to plan their financial future
  - 23% do not have a plan with respect to their financial future
  - 21% do not have all the knowledge necessary to plan their financial future

Internet Survey conducted on behalf of IQPF by SOM in October 2019; included more than 1,000 Quebecers;

# A Matter of Trust



Canadians must be able to trust financial planners to help them achieve their financial well-being.

Studies have clearly demonstrated that Canadians are not getting the financial planning help they need, from qualified, professional financial planners. This is partially the result of a lack of understanding of how to identify a qualified financial planner and of what they should expect of a financial planner and/or a financial plan.

Today's unregulated financial planning and investment services consumers vulnerable and at risk of being misled or from individuals holding themselves out as financial planners but who have not had to meet any qualifications based on accepted, written standards of ethics, competence and practice. The term "financial planning" is too often used as a sales pitch to sell products and the title "financial planner" is used haphazardly throughout the industry. The majority of those people in Canada who imply through title and/or advertising that they are financial planners are in fact licensed and qualified only to give advice relating to product recommendations or purchases. An expertise in product advice does not from it ensure one is equal to competence in financial planning. Hence the need, studies have shown that consumers believe it vital.



Canadians remain confused and at risk. They expect, and have a right to expect, that anyone holding themselves out as a financial planner is qualified, competent, ethical and accountable for the advice that he or she is providing. In fact, in Canada, outside of Quebec, anyone can call themselves a financial planner. There are no competency or ethics requirements or oversight mechanisms specifically for financial planners, other than through voluntary certification.

1. Large, unregulated industry of financial planning services, unregulated and unregulated in Canada, has led to a loss of trust in the industry. Large, unregulated industry of financial planning services, unregulated and unregulated in Canada, has led to a loss of trust in the industry.

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# How much does a financial planner cost?



# Cost of a financial planner

- The cost will vary along with the scope of the engagement.
- The cost will vary based on complexity of the client's financials.
- Financial planners **MUST** disclose how they are paid for their services.
- The client and the financial planner should agree on the fees before the work begins.

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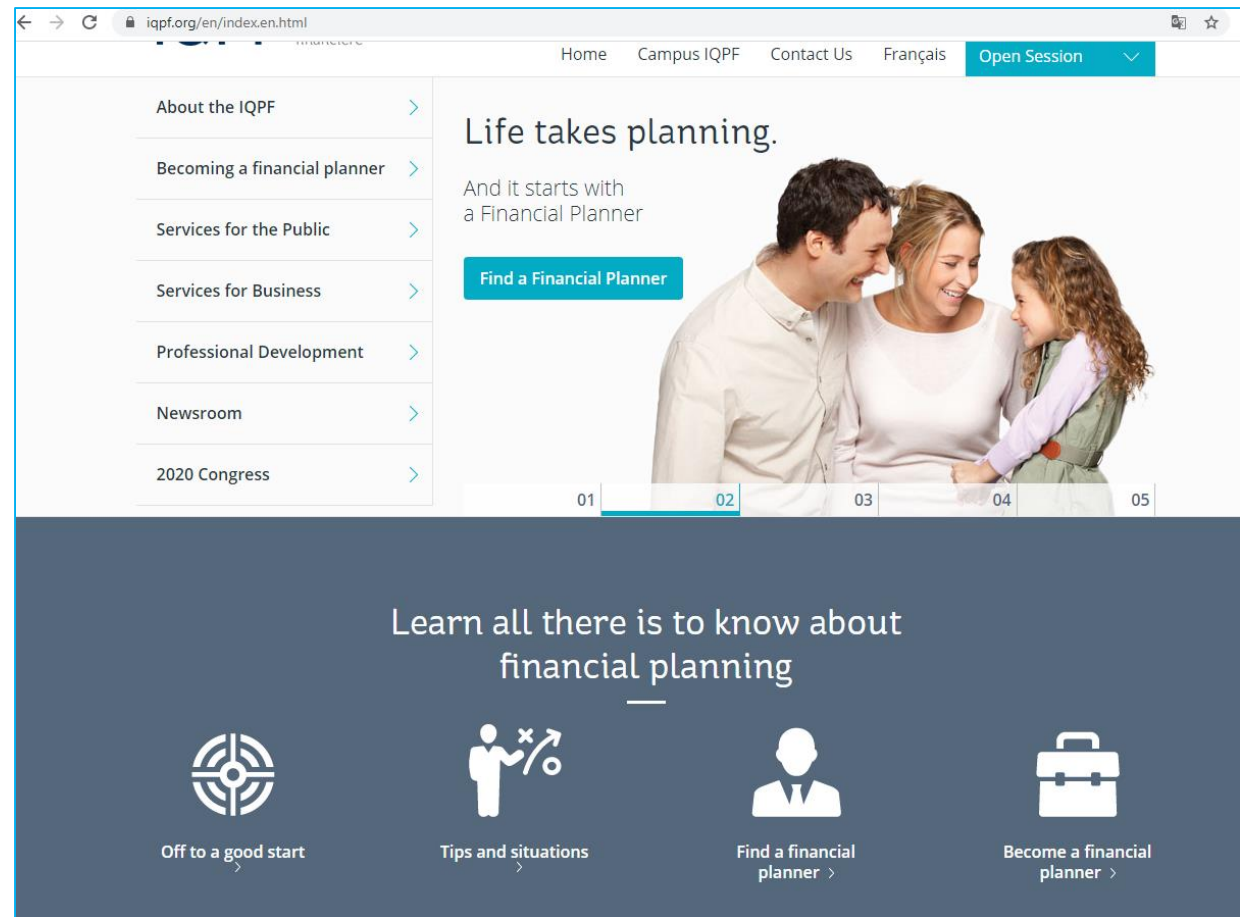
# How does one find a trusted financial planner?

# Finding a trusted Financial Planner

- Get references from:
  - Family
  - Friends
  - Current of former colleagues

# Finding a trusted Financial Planner

- Use the IQPF website



# Finding a trusted Financial Planner

## Find a financial planner

Need a professional to guide you in managing your finances and planning your achievements?

Meet the people who can help you make your plans for the future a reality!

If you know the first and last name of the financial planner you are looking for, you can enter them in the fields below. Otherwise, you can search by city, region or financial planning area.

Make sure your financial planner meets [legal requirements!](#)

Financial planner's last name :

Financial planner's first name :

City :

Administrative Region :

Financial Planning Area :

The IQPF Directory is strictly reserved for the use of consumers looking for professionals.

Please note that the IQPF will take all necessary means to put a stop to any use of the Directory that does not meet the terms and conditions set out in the paragraph above, including all legal recourse at our disposal, particularly but not only against anyone who uses the public Directory to commercially solicit financial planners.

If you are an employer and want to hire a financial planner, please go through our [Job Posting](#)

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# Questions?

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# Thank you!