

# Certified Pension Consultant CPC Credential

*Candidate Handbook*



**ASPPA**

American Society of  
Pension Professionals  
& Actuaries



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## Introduction

### About the CPC Credential

The Certified Pension Consultant (CPC) credential is ASPPA's highest credential. CPCs are an elite group of benefits professionals who have demonstrated a mastery of all aspects of qualified plans. The CPC program prepares you to fulfill departmental leadership roles in compliance, relationship management, plan documents and operations — drawing on your accumulated retirement plan knowledge and experience.

### About the American Society of Pension and Plan Administrators (ASPPA)

ASPPA began in 1966 as an actuarial organization for small-plan defined benefit retirement plan actuaries. Serving retirement plan professionals for more than 50 years, ASPPA has grown to reflect the shifts in the retirement plan industry. As a result, ASPPA now represents business owners, actuaries, TPAs, record keepers, consultants and more. ASPPA members are all united by their belief in and commitment to the private retirement system.

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*In pursuit of these goals, ASPPA offers its more than 6,000 members extensive educational opportunities, paired with a strong advocacy operation that puts us at the center of any legislative debates that could affect what you do for a living. Our educational opportunities include robust credentialing, certificate, and continuing education programs, along with the best lineup of conferences and networking opportunities in the industry.*

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### About the American Retirement Association (ARA)

The American Retirement Association (ARA) is a non-profit organization that aims to educate retirement plan professionals and create a framework of policy that gives every working American the ability to have a comfortable retirement.

As part of that mission, for more than half a century, the ARA has developed and distributed education programs, information resources, and professional credentials that have become the gold standard for retirement plan professionals in every field of endeavor.

The American Retirement Association has more than 26,000 members and is comprised of five affiliate organizations: the American Society of Pension Professionals & Actuaries (ASPPA), the American Society of Enrolled Actuaries (ASEA), the National Association of Plan Advisors (NAPA), the National Tax-deferred Savings Association (NTSA), and Plan Sponsor Council of America (PSCA).

# Section 1: ASPPA CPC Credential Requirements

## Summary

ASPPA has developed requirements for eligibility to ensure that the application process is fair and impartial for all applicants. Each eligibility requirement has been established to ensure that individuals certified by ASPPA have an acceptable level of knowledge and proficiency necessary to administer retirement plans.

To obtain the CPC credential, individuals must:

- Pass the QKA®, QKC, and QPA Exams
- Pass 6 CPC Modules (4 core and 2 elective)
- Pass the CPC Exam
- Agree to abide by the ARA Code of Professional Conduct
- Apply for the credential

## Exam Requirement

Candidates must earn a score of 7 or greater to successfully complete the CPC exam. The CPC exam is an eight-part comprehensive essay and short answer exam that assesses a candidate's ability to analyze and communicate key retirement plan concepts commensurate with professional retirement plan consultant standards.

## Experience and Education Requirement

Candidates must complete the following to be eligible for the CPC credential:

- Successful completion of the QKA-1 and QKA-2 exams, or
  - DC-1 and DC-2 exams prior to July 2021
- Successful completion of the QKC exam, or
  - DC-3 exam prior to January 2022
- Successful completion of the QPA exam, or
  - DB exam prior to January 2022
- Successful completion of the required core CPC education modules:
  - Investments
  - Fiduciary Topics
  - Distributions & Loans
  - Related Groups & Business Transactions
- Successful completion of at least two (2) of the four (4) elective CPC education modules:
  - ESOPs
  - Governmental & Tax-Exempt Plans
  - Nonqualified Plans
  - Cash Balance Plans
- Successful completion of the CPC Exam

### **Application Requirements**

Candidates must agree to abide by the ARA Code of Conduct, acknowledge receipt of the ASPPA continuing education policy, and pay ASPPA credentialed membership dues.

Note: Existing ASPPA credential holders must complete the Upgrade/Addition application form.

## Section 2: Preparing for the ASPPA CPC Credential Exam

### Summary

As the highest designation for non-actuary ASPPA members, the Certified Pension Consultant (CPC) credential is intended as an opportunity for a candidate to demonstrate a high level of retirement plan knowledge and experience. To earn the CPC credential, candidates build upon a foundation of knowledge acquired by successfully completing examinations required for the QKA®, QKC, and QPA credentials.

CPC candidates will demonstrate their knowledge and experience through the completion of specific core and elective online education modules as well as a single comprehensive proctored CPC essay examination.

The modules, study guide, and proctored exam will provide opportunities for analyzing and solving consulting problems that might be encountered in real-life client situations. In professional practice, more than one statutory provision or retirement plan consideration often applies, and pension consultants must be able to recognize and evaluate in depth each potential issue for their clients.

Additionally, because ASPPA members are required to comply with ARA's Code of Professional Conduct, the topic of ethical performance in one's professional capacity forms an important part of the CPC course of study and ethics questions will be a part of each core module and the proctored exam.

ASPPA has available study materials to help individuals prepare for the CPC certification exams. These include:

### CPC Online Modules / CPC Education Requirement

Candidates must pass six online modules (four core and two elective). Each CPC education module contains a PDF study guide, additional resources to download, and a 20-question multiple choice assessment. CPC module assessments are not timed and may be taken more than once. Candidates must earn a 70% or higher on the education module assessment to satisfy the CPC education requirement.

#### Core Module Package (complete all four)

- Investments
- Fiduciary Topics
- Distributions & Loans
- Related Groups & Business Transactions

#### Elective Modules (complete at least two)

- ESOPs
- Governmental & Tax-Exempt Plans
- Nonqualified Plans
- Cash Balance Plans

## CPC Study Guide

The CPC study guide is the primary resource for candidate preparation for the ASPPA CPC examination. The CPC study guide chapters correlate to the eight sections of the CPC exam:

- Chapter 1: Related Groups and Business Transactions
- Chapter 2: Coverage and Nondiscrimination
- Chapter 3: 401(k) Plans
- Chapter 4: Defined Benefit Plans
- Chapter 5: Distributions and Loans
- Chapter 6: Fiduciary Responsibilities, including ERISA 404(c)
- Chapter 7: Correction Programs and Ethics
- Chapter 8: Plan Design

## CPC Practice Exam

ASPPA provides candidates with a practice CPC exam with sample answers designed to help candidates prepare for the proctored exam. The practice exam is not intended as a tool to assess candidate knowledge or provide feedback on areas that may require further study. The practice exam is provided to help candidates become familiar with the exam format and provide examples of responsive answers to exam questions. Candidates should not assume that the specific subject matter covered on the practice exam will be included on the proctored exam.

## CPC Exam

The CPC exam is a 4½ hour proctored essay and short answer examination. The CPC exam is offered twice each year on dates established by ASPPA.

The CPC exam has eight sections with each section comprised of multiple questions. Each question is assigned a point value. Question points are totaled to derive scores for respective exam sections.

<b>Exam Topic / Section</b>	<b>Possible Points</b>	<b>Exam Weight</b>
Business entities and related groups	100	10%
Coverage and nondiscrimination	150	15%
401(k) plans	150	15%
Defined benefit plans	130	13%
Distributions and loans	100	10%
Fiduciary responsibilities, including ERISA 404(c)	110	11%
Correction programs and ethics	80	8%
Plan design	180	18%
<b>Total</b>	<b>1,000</b>	<b>100%</b>

## Frequently Asked Questions

1. Why is the CPC examination an essay-based exam?

The essay examination format is the best way to test a candidate's ability to apply knowledge meaningfully to realistic consulting situations.

2. How are the examination questions structured?

Generally, essay questions are based on factual situations typically encountered by consultants in their general practice. The questions are constructed to require the candidate to demonstrate knowledge of certain facts and concepts and apply them on a practical basis.

3. How many hours of study are required to pass the examination?

This examination is rigorous to assure a high level of competence. The number of hours of study needed to pass the examination varies from person to person depending on the length and breadth of a person's experience in the pension field.

Working knowledge of the Internal Revenue Code, ERISA, and the accompanying regulations are essential. In addition, it is expected that all materials in this handbook will be read and studied. It is common for persons meeting the above criteria to spend between 250 and 300 hours studying for the examination. As in other professional examination programs, such as bar examinations, enrolled actuary examinations and CPA examinations, it is not unusual for candidates to take the test more than once before passing.

4. How should a candidate study for the examination?

The CPC Study Guide and the practice exam are the primary resources for CPC candidate exam preparation. Candidates may choose to allocate more time to topics with greater weight on the exam. Likewise, candidates may find it beneficial to review subjects that are unfamiliar, or those that are outside of the candidate's normal area of practice.

Do not assume that the specific subject matter covered by the review questions will be on the proctored exam.

5. How many times a year is the examination given?

The CPC exam is offered twice per year in the spring and the fall months.

6. Where can I obtain additional information on the CPC examination?

Review the information posted on ASPPA's website, [asppa-net.org](http://asppa-net.org). If additional information is needed, contact ASPPA Customer Support at 703-516-9300 or [customer@asppa-net.org](mailto:customer@asppa-net.org).



## Section 3: Exam Administration

### CPC Exam Format

The CPC exam is a 4 ½ hour proctored essay and short answer examination. The CPC exam is offered twice per year on dates established by ASPPA.

The CPC exam has eight sections with each section comprised of multiple questions. Each question is assigned a point value. Question points are totaled to derive scores for respective exam sections.

### Exam Fee

The exam fee is \$499.

### Exam Delivery

The CPC exam is delivered using a proctored online examination system. Candidates will need access to a laptop or desktop computer with a webcam and microphone to participate in the CPC exam. Candidates are provided system requirement documentation and system verification tools upon enrollment in the CPC exam.

Candidates are permitted to use the browser-based calculator or the Windows on-screen calculator to perform calculations. Candidates may use the notes field to record results in multi-step calculations. Candidates may not use cell phones, handheld calculators, or other software-based calculators during the exam. Using paper to take notes or perform calculations during the exam is prohibited.

### Exam Enrollment

ASPPA will enroll candidates into the ASPPA online exam administration system within three (3) business days of the candidate's exam purchase or exam enrollment request. Candidates will be provided written instructions on how to access the online exam system, perform system functionality tests, take a practice exam, and participate in a technical review of the exam system with ASPPA staff prior to the exam date. Candidates will receive written confirmation of the date and time the CPC exam will be administered.

### Exam Window

The exam is delivered twice per year in the Spring and Fall months.

### Exam Scoring

CPC exams are scored by a committee of ASPPA members who hold the CPC designation. Each exam section is scored by two evaluators. Evaluator scores for each exam section are averaged to determine total points earned for each exam section. Scores are determined based upon completeness of candidate answers according to a grading guide. Final scores are reviewed and affirmed by ASPPA staff.

The CPC exam score is derived from points earned out of the total 1,000 points available. Exam scores are reported by exam score decile. Passing scores of 9, 8 or 7 are equivalent to exam scores greater than 90%, 80%, and 70%, respectively. Unsatisfactory or failing scores of 6, 5 or "N" are equivalent to 60%, 50% and less than 50% respectively.

## **Exam Super Scoring**

Effective October 16, 2021, candidates who earn a score of 6 or 5 are eligible for exam super scoring. Super scoring refers to the combination of high scores on each of the eight exam sections from two different exams. To be eligible for super scoring exams must be completed within a 19-month period. ASPPA will automatically score qualifying exams on behalf of the candidate.

## **Super Scoring Process**

Super scored results are determined by comparing the points earned for each of the eight sections on the two qualifying exams. Candidates will be awarded the greater point value for the respective exam sections of each exam to determine a score of total points earned out of 1,000 eligible points. If the super scoring results in 700 or more points earned, then the candidate will receive a passing grade for the CPC exam reported as “S.”

## **Transition Rule for CPC Exams Administered in 2016 - 2021**

Candidates who earned a score of 6 or 5 on exams administered after January 1, 2016, and prior to December 31, 2021, may super score with a second CPC exam taken prior to July 2023. After July 2023, the 19-month limitation period will apply. ASPPA will automatically super-score qualifying exams taken during the transition rule administration period and determine if a candidate qualifies for a passing score of “S.”

## **Exam Result Feedback**

Exam scores are reported by decile where scores of 9, 8, and 7 are passing and scores of 6, 5, and N are failing scores. Raw scores (the number of points earned, and actual exam percentage of points earned), spreads between scores, pass marks, pass percentages and copies of questions are not released.

In addition to the exam score, candidates receive an exam performance summary. The exam performance summary lists candidate performance on each of the eight exam sections. Performance feedback is reported as either satisfactory or needing work. Satisfactory performance for an exam section indicates that the candidate earned 70% or more of the points available for the exam section and is indicated by the statement “Satisfactory”. Sections in which the candidate earned less than 70% of the points available for the exam section will be indicated by the statement “Needs Work”.

## **Time Limit**

The time limit for taking the CPC exam is 4 ½ hours. Exam time cannot be paused and resumed after starting. Any unanswered questions will be awarded zero (0) points.

## **Breaks During Exam**

Candidates are permitted two 15-minute breaks when taking the CPC exam. Breaks are not mandatory, may be less than 15 minutes, and are not included in the 4 ½ hour exam time limit. If both breaks are used during the 4 ½ hour exam, it is possible to spend five hours on the CPC exam. Candidates must announce their break to the online exam proctor and must follow directions from the proctor regarding the use of breaks for the exam attempt to remain valid.

### **Score Report Delivery**

CPC exam results will be emailed to candidates approximately 8-10 weeks after the examination date.

### **Language**

The CPC exam is offered only in English.

### **Test Administration Modification**

Special accommodations to test administration shall be provided to candidates with a disability (as defined by Title III of the Americans with Disabilities Act) who submit with their certification application, a written explanation of their needs and appropriate documentation. Requests must be submitted no less than six weeks prior to test date to allow sufficient time for arrangements to be made on behalf of the test candidate. Requests for accommodations should be submitted in writing to ASPPA at [customercare@asppa.org](mailto:customercare@asppa.org).

### **Statement of Non-Discrimination**

ASPPA endorses the principles of equal opportunity. Eligibility criteria for examination and credentialing as a QKA® are applied equally to all individuals regardless of age, race, religion, gender, national origin, veteran status, or disability.

### **Confidentiality**

ASPPA recognizes candidates' rights to control personal information. ASPPA policy is designed to safeguard this information from unauthorized disclosure. Candidates can change their contact preferences by updating personal preferences in their profiles. To protect the rights to control score distribution, exam scores are released only to the candidate and authorized ASPPA or ARA staff.

ASPPA does not release individual exam scores, except for use in research studies that preserve candidates' anonymity. Candidates' scores will always remain confidential unless authorized with the written consent of a candidate. Official statistics regarding the QKA® credentialing exam, including all question performance data, individual data, and demographic data, will be considered confidential. However, ASPPA reserves the right to publish aggregated, non-identifying information based on such data.

### **Exam Irregularities**

Any problems, suspected instances of cheating, alleged inappropriate examination administration, environmental testing conditions severe enough to cause disruption of the process or any other irregularities related to test administration should be brought to the attention of ASPPA at [customercare@asppa.org](mailto:customercare@asppa.org). All such matters will be reported, investigated and subject to further action based on policies and procedures adopted by ASPPA.

Cheating, violations of the ARA Code of Conduct, and matters that may constitute grounds for disciplinary action will be handled under the disciplinary procedures adopted by ARA, but other issues in examination irregularities are not subject to appeal.

### **Violation of Code of Conduct**

If it is determined that a candidate has violated the ARA Code of Conduct, the candidate may be barred from taking the exam for a timeframe determined by ARA.

### **ASPPA Credential Candidate Inquiry Policy**

Candidates may submit written inquiries about ASPPA study materials and credentialing exams. Credential examination inquiries must be submitted within 30 days after the examination date

Inquiries regarding ASPPA credentialing exams must be submitted by the exam candidate.

ASPPA will not review or respond to inquiries submitted on the candidate's behalf.

Correspondence will be conducted in accordance with ASPPA's privacy policy contained in this handbook.

### **Exam Refund & Transfer Policy**

Fees for examinations are not refundable. The right to sit for a ASPPA examination belongs exclusively to the person named on the exam registration request. Candidates named on the exam registration request may transfer the right to another candidate. The transfer request must be submitted in writing to [accountsreceivable@usaretirement.org](mailto:accountsreceivable@usaretirement.org) not less than 15 days prior to the exam window expiry date.

## Section 4: Applying for ASPPA CPC Credential Membership

### **Credentialed Membership Application**

Candidates who meet the qualifications described above may apply for CPC credentialed membership by completing the [ASPPA Credentialed Membership Application](#).

### **Membership Dues**

Initial credentialed membership dues are payable upon submission of the credentialed membership application. Annual credentialed membership dues must be paid by December 31 annually.

### **Credential Mark Usage Policies and Procedures**

An individual who has been granted the ASPPA CPC membership may list the credential on stationery, websites, business cards and other promotional materials as:

- First name, Last name, ASPPA CPC
- First name, Last name, Certified Pension Consultant
- First name, Last name, CPC

Should the credential be suspended or withdrawn for any reason, the individual must immediately cease the use of the title ASPPA CPC and acronym designation on stationery, websites, business cards, and all promotional materials.

## Section 5: ASPPA Credential Continuing Education Requirements

As a professional society, ASPPA recognizes the importance of the continuing educational development of its members. ASPPA has a mandatory program of Continuing Education (CE) that affects all ASPPA credentialed members who hold an ASPPA credential. CE requirements apply to all credentialed members, regardless of when the credential(s) were awarded.

### Continuing Education Requirements

ASPPA credentialed members must complete forty (40) hours of CE every two years.

A minimum of thirty-eight (38) hours of CE must cover retirement plan (“Relevant Topics”) and a minimum of two (2) hours of CE must address professional ethics, such as ARA’s Code of Professional Conduct.

The two-year cycle begins on the first calendar day of each odd numbered year and ends on the last calendar day of the subsequent even numbered year.

### Continuing Education Requirement for New Designation Holders

For designation holders that are awarded their first ASPPA designation in an odd year, the CE requirement for the CE Cycle ending the following calendar year is twenty (20) hours, including one (1) hour of CE that addresses professional ethics, such as the ARA Code of Professional Conduct.

For designation holders that are awarded their first ASPPA designation in an even year, the CE requirement for the CE Cycle ending that calendar year is zero (0) hours.

### Continuing Education Content Standards

CE must meet the following standards to qualify for continuing education credit:

- Content must address a Relevant Topic
- Content must be developed by person(s) qualified in the subject matter.
- CE hours reported shall match the actual time on task rounded down to the nearest five (5) minute increment.
  - One (1.0) hour of CE is equivalent to 50 minutes of instruction or study time on task.
  - After the first 50 minutes, CE hours may be accrued 5-minute increments where 5 minutes is equal to one tenth (0.1) CE credits.
  - CE will not be accepted for any event less than 45 minutes time on task. This is equivalent to a nine-tenths (0.9) CE threshold.
- CE credits must be earned and reported for the current cycle. CE credits may not be carried over from one cycle to the next.

## Relevant Topics

All continuing education topics that promote an ASPPA member's professional development in the retirement field qualify for ASPPA CE (including non-technical topics such as marketing and advanced IT training). Broad categories include topics such as:

- Qualified Plans
- Nonqualified Plans
- Tax-Exempt & Governmental Plans
- IRAs
- Actuarial Issues
- Investments & Insurance
- Participant Issues
- Business Management, Operations & Development
- Personal Development
- Technology

## ASPPA Provided CE

ASPPA will record CE credit for participation in ASPPA CE events. ASPPA will ensure that that ASPPA provided CE meets both continuing education content standards and addresses retirement plan related acceptable subject matter.

## CE Earned Outside of ASPPA Sponsored Activities

Credentialed members are responsible for reporting CE earned outside of ASPPA sponsored activities. CE earned from non-ASPPA sponsored activities must meet the requirements detailed in the "CE For Professional Activities other than ASPPA Sanctioned Events" section of this continuing education policy.

## Failure to Comply with the ASPPA Continuing Education Policy

Designation holders will have until March 1 of each calendar year to report CE for the prior calendar year CE cycle. ASPPA provided CE earned prior to March 1<sup>st</sup> of each calendar year may be applied to the CE reporting cycle for the prior calendar year. In no case will CE be recorded for more than one CE reporting cycle.

If the failure to comply with the ASPPA Continuing Education Policy results from the audit of third-party CE, the designation holder will have 60 days from the date of notification to correct the deficiency.

## Failure to Renew ASPPA membership

Designation holders are expected to remain ASPPA members in good standing and make timely payment of any designation maintenance fee that may be required by ASPPA. Failure to pay any required fees by March 1 of each calendar year will result in suspension of the designation.

## Violation of the ARA Code of Professional Conduct

Suspension and or revocation of designations due to actual or reported violation of the ARA Code of Professional Conduct is addressed in the ARA Code of Conduct Disciplinary Procedures.

## Suspension of Designation

ASPPA designations may be suspended for the following reasons

- Failure to comply with the ASPPA Continuing Education Policy
- Failure to renew ASPPA membership or ASPPA credential maintenance fee as applicable
- Violation of the ARA Code of Professional Conduct

## Revocation of Designation

The designation will be revoked for designation holders who do not the correct deficiency or deficiencies that initiated the suspension of the designation.

## Reinstatement

Reinstatement may be granted if the following conditions are met:

- The reinstatement application is submitted with payment of all membership fees
- Documentation is provided demonstrating completion of required 40 CE (including two Ethics) in the 24 months preceding submission of the application

## CE For Professional Activities other than ASPPA Sanctioned Events

### Qualified CE Provider

Credentialed members may report continuing education credit earned from the following entities

- Nationally recognized professional society or other nonprofit association
- College or university
- Government agency
- Nationally recognized commercial enterprises
- Employer of the credentialed members

There is no pre-approval process for Qualified CE Providers.

### Training Programs and Study Groups

Credentialed members may report continuing education credit for training programs and study groups sponsored by a Qualified CE Provider.

### Qualified CE Provider Records and Reporting Requirements

Credentialed members may only report continuing education credit from Qualified CE Providers that satisfy the following criteria:

- Provider must verify attendance and time on task.
- Subject matter covered at the program must cover a relevant topic as defined in the ASPPA CE policy.
- The computation of CE credit is based on 50 minutes equals 1 CE credit.
- A maximum of 25 CE credits is allowed per event, training program, or study group.
- A detailed outline of the program topic(s) must be provided to each attendee.
- Written attendance verification with CE amount (or minutes attended) must be provided to each ARA attendee.



### Other Professional Activities

ASPPA credentialed members may report continuing education credits for the following activities:

**Serving as a speaker** at any professional meeting where subject matter covers relevant topics. Credentialed members may report 4 CE credits for each 50-minute speaking session and 1.5 CE credits for each speaker panel.

**Publishing an article** on a relevant topic in a nationally recognized publication. Credentialed members may report 1 CE credit for each 50-minute period of preparation time up to a maximum of 10 CE credits for published document.

**Serving as an instructor** for ASPPA or a Qualified CE Provider. Credentialed members may report 4 CE credits for each 50-minute period of instruction.

### Compliance and Audit

The audit of CE earned outside of ASPPA sanctioned events is conducted for the benefit of all ASPPA designation holders. The CE audit process demonstrates ASPPA's ongoing commitment to professionalism and the integrity of its program. The CE audit process helps ensure compliance with the CE policy, but more importantly, will help ASPPA identify opportunities to continuously improve the CE program.

### The Audit Process

ASPPA will conduct an audit of reported third party CE. The audit will encompass a randomly selected representative sample of designation holders who reported third party CE the prior cycle.

Designation holders who are randomly selected for the CE audit will be asked to provide suitable documentation to substantiate that the reported CE meets the Continuing Education Content Standards. In general, the documentation must demonstrate that:

- The content was developed by a subject matter expert with expertise pertinent to the subject matter
- Time on task for the CE credit awarded
- Successful completion or participation

The designation holder subject to audit will also be asked to provide a description of the CE session for any third-party CE reported to satisfy the ethics or retirement plan related acceptable subject matter.

# Section 6: CPC Credential Exam Content Outline

## Topic 1: Business Entities & Related Groups

### Overview

The rules of common control have far-reaching effects on many aspects of qualified retirement plans. For this reason, determining whether an employer is a part of a controlled group or an affiliated service group (ASG) is critical to ensuring continued qualified status for retirement plans. This topic examines various types of these arrangements, and the integral rules of stock attribution are examined. Also included is a review of the effect of business transactions such as mergers and acquisitions on groups under common control and the retirement plans sponsored by these entities.

### Learning Objectives

The successful candidate will be able to:

- Analyze a fact pattern and conclude whether common control exists under IRC §§414(b) and (c).
- Explain the impact of controlled group status on qualified plan requirements.
- Identify situations where an ASG may exist and the information needed to make an ASG determination.
- Explain the impact of ASG status on qualified plan provisions.
- Discuss the consequences of leased employees on the recipient client organization's plan.
- Analyze a fact pattern and conclude whether a multiple employer plan exists.
- Discuss the advantages and disadvantages of establishing a multiple employer plan versus several single employer plans.
- Discuss the effect an operational failure with one member of a multiple employer plan has on the plan as a whole.
- Discuss the plan requirements for which members of a multiple employer plan are treated as a single employer and those for which they are treated as separate employers.
- Apply the rules for a multiple employer plan to a PEO relationship.

### Exam Weighting

This topic will comprise approximately 10% of the examination.

## Topic 2: Coverage & Nondiscrimination

### Overview

A qualified retirement plan must benefit a minimum number of employees and may not be designed or operated in favor of highly compensated employees (HCEs). This topic reviews the coverage and participation tests under IRC §§410(b) and 401(a)(26) incorporating testing methodology as well as procedures for correcting violations and the special exceptions accorded to qualified separate lines of business (QSLOBs) under IRC §414(r). In addition, the nondiscrimination rules of IRC §401(a)(4) which prohibit favoring HCEs in the amount of benefit or contribution provided and prohibit favoring HCEs in the availability of benefits, rights or features are outlined. A qualified retirement plan also must ensure that the effect of any plan amendment or termination is not discriminatory. Therefore, details of various options available to prove nondiscrimination in these areas are included under this topic.

The following learning objectives assume that the candidate has a complete knowledge of basic coverage and nondiscrimination testing concepts including identifying HCEs and performing nondiscrimination and coverage tests under IRC §§410(b), 401(a)(4) and 401(a)(26).

### Learning Objectives

The successful candidate will be able to:

- Analyze a fact pattern and apply the minimum participation rules of IRC §401(a)(26).
- Analyze a fact pattern, apply the coverage rules of IRC §410(b), discuss the consequences of a failed coverage test, and recommend methods of correction.
- Analyze a fact pattern, apply the nondiscrimination rules of IRC §401(a)(4), discuss the consequences of a failed test, and recommend correction alternatives.
- Analyze a fact pattern and illustrate a rate group test on a defined contribution plan.
- Illustrate cross-testing given a specific fact pattern, including EBAR calculations and the use of the gateway test.
- Discuss the effect of allocation conditions on a cross-tested plan.
- Discuss the impact of a plan's top-heavy status on plan design and operations.
- Discuss the interaction between top-heavy minimum allocations, safe harbor contributions, and minimum gateway allocations.
- Identify plan provisions that must be tested as a benefit, right, or feature, and analyze whether the provision is nondiscriminatory.
- Determine the maximum deductible limit for a company that has owners with self-employment income.
- Explain when plans or components of plans must be aggregated, and how they may be aggregated or disaggregated for purposes of IRC §§410(b), 401(a)(4) and 401(a)(26).
- Analyze the effect of a merger, acquisition, or disposition on qualified plan provisions under the transition rule of IRC §410(b)(6).
- Evaluate whether a compensation definition is discriminatory under IRC §414(s).

### Exam Weighting

This topic will comprise approximately 15% of the examination.

## Topic 3: 401(k) Plans

### Overview

This topic addresses the testing requirements that apply to 401(k) plans. In addition, the topic focuses on plan design and testing techniques that improve ADP and ACP testing results and best meet the needs of the employer.

### Learning Objectives

The successful candidate will be able to:

- Calculate the ADP and ACP for a given fact pattern, assess possible correction methods for a failed ADP or ACP test, recommend a solution, and support the recommendation.
- Analyze a fact pattern and demonstrate 401(k) plan design alternatives and operational techniques that will improve nondiscrimination test results.
- Discuss the advantages and disadvantages of automatic enrollment including the timing, contribution, notice, and vesting requirements that are applicable.
- Discuss the requirements for a safe harbor 401(k)(12) (traditional) plan and assess whether a given plan design satisfies the requirements.
- Discuss the requirements for a safe harbor 401(k)(13) (QACA safe harbor) plan and assess whether a given plan design satisfies the requirements.
- Discuss the benefits of a safe harbor 401(k)(12) (traditional) design vs. a safe harbor 401(k)(13) (QACA) design based on a specific fact pattern.
- Describe the advantages and disadvantages of adding a designated Roth feature to a 401(k) plan.
- Describe the tax consequences a participant will face when an in-plan Roth conversion is elected.
- Discuss permissible ADP/ACP testing alternatives when related employers maintain 401(k) plans, including the mandatory aggregation of HCEs.
- Explain the issues involved relative to mergers, acquisitions, and spin-offs on ADP and ACP testing including any possible impact to safe harbor status.

### Exam Weighting

This topic will comprise approximately 15% of the examination.

## Topic 4: Defined Benefit Plans

### Overview

This topic covers issues dealing with defined benefit plans and reviews the nondiscrimination safe harbors available to simplify defined benefit design and administration. Non-traditional defined benefit plans such as cash balance plans, floor-offset arrangements and fully insured plans are reviewed. Time will also be spent on plan design objectives that can be achieved through defined benefit plans. In addition, the topic covers the funding requirements, benefit limitations and the role of the Pension Benefit Guaranty Corporation (PBGC).

### Learning Objectives

The successful candidate will be able to:

- Analyze whether a given defined benefit formula satisfies the safe harbor requirements of IRC §401(a)(4) and the accrual rules of IRC §411(b).
- Calculate the maximum IRC §415 limit for a participant, including the dollar and percentage limits below age 62 and above age 65.
- Describe the impact that actuarial assumptions have on plan liabilities and contributions.
- Discuss how a plan's adjusted funding target attainment percentage (AFTAP) affects contribution requirements, benefit accruals, and distribution limitations.
- Describe how a cash balance plan works, including how benefits accrue and how benefits are presented to participants.
- Discuss the impact of a defined benefit plan's current contributions and actual investment performance on future minimum and maximum contributions.
- Analyze the application of the deduction limits for PBGC covered employers and non-PBGC covered employers who sponsor both a defined benefit plan and a defined contribution plan.
- Discuss the requirements for pension plans that reduce or cease future benefit accruals.
- Explain the minimum and maximum contribution requirements that apply to defined benefit plans including the excise taxes that apply when minimum contributions are not made or nondeductible contributions are made.

### Exam Weighting

This topic will comprise approximately 13% of the examination.

## Topic 5: Distributions & Loans

### Overview

The financial lifecycle of a retirement plan reflects funds flowing into and out of the plan over time. This lifecycle is governed by the myriad rules surrounding and supporting beneficial tax qualification. The material for this topic requires a candidate to delve into the more complicated taxation and timing issues of distributions from qualified plans, whether these distributions take the form of loans, required minimum distributions and the like, or are the result of retirement, termination of employment, or in-service events.

### Learning Objectives

The successful candidate will be able to:

- Summarize the rules governing the form, amount, and timing of distributions.
- Summarize the rules governing the portability of distributions.
- Evaluate whether a hardship withdrawal provision may be amended and analyze the impact of hardship withdrawal provisions on plan design and operations.
- Analyze the restrictions on distributions from a 401(k) plan when a successor plan exists.
- Calculate the required minimum distribution given a particular fact pattern.
- Analyze the tax treatment of various forms and types of distributions.
- Describe the requirements that must be met for a designated Roth distribution to be a qualifying distribution.
- Analyze the impact of qualified and nonqualified distributions of designated Roth amounts.
- Discuss and apply the available options for participant loan refinancing.
- Analyze whether loan repayments may be suspended and determine the repayment amount once a suspension is lifted.
- Identify protected benefits under IRC §411(d)(6) and changes that can be made to a plan's distribution and loan options.

### Exam Weighting

This topic will comprise approximately 10% of the examination.

## Topic 6: Fiduciary Responsibilities including ERISA §404(c)

### Overview

Fiduciary status and the attendant responsibilities and liabilities of that status are granted based on one's functional duties rather than by one's title. The implications of being a plan fiduciary are far-reaching and encompass not merely awareness that one is a fiduciary, but also what one must do and what one is prohibited from doing as a plan fiduciary. The repercussions for a qualified plan and its participants due to fiduciary failure can be severe, and therefore this topic's material includes a review of fiduciary status along with fiduciary duties and provides analyses of fiduciary breaches, the limitation of fiduciary liability, and available correction procedures.

### Learning Objectives

The successful candidate will be able to:

- Define the roles and responsibilities of the various parties involved in managing plan assets, including investment managers, plan consultants, custodians, and financial advisors.
- Explain the exclusive benefit and prudent man rules and their application to plan activities.
- Evaluate settlor vs. fiduciary functions and their implications regarding plan expenses.
- Analyze a given fact pattern and propose approaches for reducing or eliminating fiduciary liability.
- Describe the requirements that must be met for an investment to be a QDIA and provide examples of investments that would qualify.
- Discuss the effect of investment advice and any liability on the plan fiduciaries under an eligible investment advice arrangement.
- Discuss the impact of having a directed trustee.
- Evaluate whether a transaction is a prohibited transaction under Title I of ERISA.

### Exam Weighting

This topic will comprise approximately 11% of the examination.

## Topic 7: Correction Programs & Ethics

### Overview

Part of the consulting experience is the ability to assist clients in identifying and assessing existing and potential plan defects. The consultant should also be able to recommend a suitable course of corrective action when necessary. This topic addresses the IRS Employee Plans Compliance Resolution System (EPCRS) Program as an avenue for correction. The Voluntary Fiduciary Compliance (VFC) program and Delinquent Filer Voluntary Compliance (DFVC) program will also be covered. Additionally, the pension consultant must consider the professional and ethical duties owed to plan sponsors and participants. Consequently, this topic's required reading material also includes the ARA Code of Professional Conduct.

### Learning Objectives

The successful candidate will be able to:

- Analyze a given fact pattern and explain the methods of correcting and reporting a prohibited transaction under Title I of ERISA.
- Explain the purpose of and eligibility for the available EPCRS correction programs.
- Identify and discuss the differences between significant and insignificant operational defects, plan document defects, and demographic failures.
- Summarize the two stated methods of self-correction under EPCRS if the 12-month correction period has passed for ADP and ACP testing.
- Describe the factors affecting IRS fees and sanctions under EPCRS.
- Analyze a fact pattern and recommend a correction program under EPCRS.
- Discuss the purpose, requirements, and applicable penalties of the DFVC program.
- Identify fiduciary breaches that can be corrected under the VFC program.
- Discuss the deposit timing requirements and the appropriate correction when deposits are not made timely.
- Analyze a fact pattern and apply the ARA Code of Professional Conduct.

### Exam Weighting

This topic will comprise approximately 8% of the examination.



## Topic 8: Plan Design

### Overview

Central to the concept of pension consulting is the ability to craft a plan design or combination of plan designs best suited to satisfying the client's present and future benefit objectives. This topic's material covers plan design issues, including the use of hybrid plans such as cash balance plans, and times when less common plan designs like ESOPs should be considered.

### Learning Objectives

The successful candidate will be able to:

- Differentiate between a cash balance plan, a traditional defined benefit plan and a defined contribution plan.
- Identify situations where a defined benefit plan is more appropriate than a defined contribution plan.
- Explain why a plan sponsor might choose a cash balance plan instead of a traditional defined benefit plan.
- Discuss the effect of census changes on a small plan with a new comparability design.
- Discuss the requirements for plans that reduce or cease future benefit accruals.
- Discuss the primary objectives of establishing nonqualified plans.
- Discuss the advantages/disadvantages of the different types of plans.
- Analyze a specific employer situation and recommend the most appropriate plan type(s).
- Recommend plan provisions based on the plan sponsor's objectives and apply the ARA Code of Professional Conduct.

### Exam Weighting

This topic will comprise approximately 18% of the examination.

## Section 7: ASPPA Examination Policy

ASPPA's Retirement Plan Academy (RPA) exams include proctored credential exams, online certificate assessments, and online exams for the CPC Modules. The following are considered proctored credential exams: QKA1, QKA2, QKC, QPA, and CPC. The following are considered certificate assessment: IRP, RPF, and DB-A. The exam policies and requirements differ for credential exams and certificate assessment.

### Online Proctored Credential Exam Policy

- **Enrollment:** Candidates will receive enrollment notification within three business days of completing purchase of the exam. If an exam is bundled with study material delivered through the learning management system (LMS), the candidate will request enrollment in the exam through their LMS catalog once ready to access.
- **Online Proctoring:** ASPPA credential exams are administered online using live and automated proctors. Proctored online exams can be taken at home using a computer equipped with a webcam and microphone. Any irregularity or suspected violation of exam standards of conduct (see below) will be investigated and may result in disciplinary action.
- **Identification Requirement:** All candidates must use their webcam to take a photo of themselves prior to starting the exam. The photo should show the candidate's full face in neutral lighting so the candidate's identity can be confirmed. The candidate must also present their photo ID during the online exam check-in process to confirm their identity. Candidates may present their photo ID in front of the webcam or prepare a scanned copy of the ID to be submitted during the check-in process. Passports, driver's licenses, identification cards, and other government-issued photo IDs are acceptable.
- **Time Limit:** All credential exams are timed and must be completed within the allotted time. Exams cannot be paused and resumed after starting. Any exam questions left unanswered at the end of the allotted time will be counted as incorrect.
- **Exam Results:** Candidates who complete credential exams will be able to view their pass/fail results within three business days. After three business days, candidates will be able to view a report and, if successfully completed, download a certificate of completion.
  - CPC exams are essay-based and graded by a team of expert graders. CPC Exam results will be emailed to candidates directly approximately 8-10 weeks after the exam date.
- **Exam Grading:** Most credential exam results will include a numerical percentage score and Pass/Fail status.
  - For the CPC exam a score of 9, 8 or 7 (passing grade) or 6, 5 or "N" (failing grade) is provided instead of a percentage score. A score of "N" indicates that the candidate's performance was below the minimum acceptable standards. Raw scores, spreads between scores, pass marks, pass percentages and copies of questions are not released. Each exam has different topic weightings, so it is

possible for a candidate to receive “needs work” in several areas and still pass the exam. Conversely, the candidate could receive “needs work” in only a few areas and still fail the exam if those topics comprised the majority of the exam.

### **Online Certificate Program Assessment Policy**

ASPPA's Certificate program exams are not proctored. They are open-book online exams and unlimited attempts. Each consists of multiple-choice and true/false questions. Upon completion of a certificate program exam, a candidate will receive an immediate score. It is strongly recommended that the candidate print the results for their records. ASPPA will not keep or provide records of certificate program online exams to candidates. The assessments are bundled with the education materials within the LMS (either as a stand-alone product or at the end of learning modules).

### **CPC (Consulting) Modules**

Each CPC module includes an online assessment which consists of 20 multiple-choice questions. All required CPC modules and the proctored CPC exam must be completed prior to applying for the CPC credential, but the modules and exam can be completed in any order.

### **Study Time**

The number of hours of study needed to prepare for ASPPA exams varies depending on the length and breadth of the candidate's experience. Many successful candidates begin studying several months before attempting their exam to cover all the material to the proper extent. As in other professional exam programs such as law exams, enrolled actuary exams, and CPA exams, it is not unusual for candidates to require multiple attempts before passing.

### **ASPPA Exam Sunset Provision**

The ASPPA Board of Directors adopted an eight-year sunset provision that took effect January 1, 1998 and applies to all ASPPA-sponsored exams. The provision (revised on June 28, 1998) now reads: “Credit for successful completion of an ASPPA-sponsored exam needed to attain an ASPPA credential (e.g. QKA) will expire six months past the eighth anniversary of the exam date.” For example, if a candidate passes RPF-1 and RPF-2 on June 1, 2015, and DC-1, DC-2 and DC-3 in 2016, and DB in 2017, application for the QPA credential must be made by December 1, 2023, or the RPF-1 and RPF-2 exams will become invalid.

For candidates who are ASPPA credentialed members and have met ASPPA's continuing education (CE) requirements for each CE cycle (including reinstatements) since the exam date, the sunset provision does not apply.

If the candidate is not currently a credentialed member, they may receive credit for sunset-invalidated exams and receive his/her credential by completing one of the following:

1. The candidate must provide documentation of having earned 40 ASPPA CE credits (including 2 hours of Ethics) within the 24 months immediately preceding the date of the application for credentialed membership; or
2. The candidate must retake and pass the invalidated exams within eight years of the oldest valid exam.

### **Additional Exam Policies**

- **Lost Exams:** In the unlikely event of the loss or destruction of a completed exam, the exam fee will be refunded. ASPPA can assume no other obligation and candidates must take all exams with this understanding.
- **Special Requirements:** It is ASPPA's intent to accommodate candidates who have physical, visual, hearing, or other special needs. Specify any accommodation(s) you require during exam registration and notify Customer Care of your needs.
- **Retention Policy:** Exam records are retained for two years. After two years, exam records will be destroyed.
- **Exam Refund & Transfer Policy:** Fees for exams are not refundable. The right to sit for an ASPPA exam belongs exclusively to the person named on the exam registration. That person may transfer the right to someone else. However, the transfer must be in writing from the original registrant and must be received no later than the final registration date.
- **Exam Copyright:** ASPPA exam questions are subject to copyrights owned by the association. Any reproductions, retransmissions, or republication of all or part of any exam question is expressly prohibited, unless the association has expressly granted its prior written consent to so reproduce, retransmit, or republish the material. All other rights are reserved.

### **ASPPA Examination Standards of Conduct**

ASPPA's Retirement Plan Academy (RPA) is committed to treating all candidates fairly and equitably during the exam process. Any irregularity or suspected violation of exam standards will be investigated and may result in disciplinary action.

### **Proctored Credential Exam Standards**

Candidates must prepare the testing space prior to the exam and follow all behavior standards during the exam to successfully complete the exam. Candidates are required to share their screens and allow video and audio recording during the exam. Recordings will be reviewed by ASPPA staff prior to validating an exam result. Violations of exam policy may result in an invalidated exam, suspension or ban from future exams, and loss of credential for credential holders.

Prior to the exam, candidates must remove the following personal items from the testing space and the candidate's body:

- Cell phones, hand-held computers/personal digital assistants (PDAs) or other electronic devices, pagers, calculators, and watches (including smart watches)
- Headphones, earbuds, microphones, or other audio transmission devices
- Wallets or purses
- Hats (and other non-religious head coverings), bags, coats, jackets, or eyeglass cases
- Barrettes or hair clips larger than  $\frac{1}{4}$  inch ( $\frac{1}{2}$  centimeter) wide and headbands or hairbands larger than  $\frac{1}{2}$  inch (1 centimeter)
- Jewelry that is removable and larger than  $\frac{1}{4}$  inch ( $\frac{1}{2}$  centimeter)
- Books or notes unless specifically authorized by the exam program for use during your test

Candidates are permitted to use the browser-based calculator or the Windows on-screen calculator to perform calculations. Candidates may use the notes field to record results in multi-step calculations. Candidates should not use cell phones, handheld calculators, or other software-based calculators during the exam. Using paper to take notes or perform calculations during the exam is prohibited.

If a proctor notes inappropriate items in a candidate's exam space during the exam, that candidate's test results may be invalidated and they may be disqualified from taking the test in the future.

During the exam, candidates must not:

- Communicate with others
- Leave the room at any time
  - Exception: Two 15-minute breaks are permitted during exams 3 hours or longer
- Use reference material of any kind
- Read the questions aloud
- Cover their mouth, attempt to hide their face or move it out of view of the webcam
- Write down questions or copy question text to another application

If any of those actions occur, a proctor may intervene and remind you of these policies. If the behavior continues, a proctor may be required to revoke your exam session. The proctor may also view a recording of your exam. Violations of exam policy may result in an invalidated exam, suspension or ban from future exams, and loss of credential for credential holders.

### **Certificate Assessment Standards**

Candidates are prohibited from the following during the certificate assessments:

- Giving or receiving assistance of any kind during the assessment
- Cheating, any attempt to cheat, assist others in efforts to cheat, or participation in cheating activities
- Engaging in improper conduct, such as:
  - Arranging for another person to take the assessment for the candidate

- Disclosing the contents of an assessment to any other person
- Failing to follow assessment instructions
- Looking at and/or copying the answers of any other candidate during the assessment

Improper conduct includes providing assessment information to another candidate and looking at and/or copying the answers or work of any other candidate.

By virtue of the format of the assessment, candidates can study with other candidates, work with colleagues for advice/guidance and/or use other study materials or online resources, but the work submitted must be the candidate's own. Candidates cannot receive answers from employers, colleagues, or other candidates, nor can candidates have their assessment reviewed by another party for the identification of correct or incorrect answers.

RPA will pursue any evidence that a candidate has cheated or failed to follow the assessment rules. Any irregularity or suspected violation will be thoroughly investigated. Violations of assessment policy may result in an invalidated assessment, suspension or ban from future assessment, and loss of credential for credential holders.

RPA may also report its action to ASPPA's Professional Conduct Committee. If an assessment is jointly sponsored (e.g., the Enrolled Actuary exams), the other sponsoring organizations may also be notified.

## Section 8: ARA Code of Professional Conduct

The purpose of this Code of Professional Conduct (“Code”) is to identify the professional and ethical standards with which a member must comply to fulfill the Member’s responsibility to the American Retirement Association and its affiliate organizations, other Members, and the public. Members are required to adhere to the high standards of conduct, practice, and qualification set forth in this Code.

### 1. Definitions

- **Actuary:** an individual who is a Member of the American Retirement Association and holds an MSPA or FSPA from the ASPPA College of Pension Actuaries or an actuarial credential from another organization that is a member of the International Actuarial Association (IAA) or is an enrolled actuary in good standing with the Joint Board for the Enrollment of Actuaries.
- **Advertising:** all communications by whatever medium, including oral communications, which may directly or indirectly influence any person or organization to decide whether there is a need for Professional Services or to select a specific person or firm to perform such services.
- **Confidential Information:** information not in the public domain of which the Member becomes aware during the course of rendering Professional Services to a Principal. It may include information of a proprietary nature, information which is legally restricted from circulation, or information which the Member has reason to believe that the Principal would not wish to be divulged.
- **Credential:** a membership designation (e.g., Certified Pension Consultant; Member, Society of Pension Actuaries; or Associated Professional Member) conferred by American Retirement Association.
- **Law:** statutes, regulations, judicial decisions, and other statements having legally binding authority.
- **Member:** An individual who is a Member of American Retirement Association or any affiliate organization of American Retirement Association.
- **Principal:** any present or prospective client of a Member or the employer of a Member where the Member provides retirement plan services for their employer’s plan.
- **Professional Communication:** a written, electronic or oral communication issued by a Member with respect to Professional Services.
- **Professional Services:** services provided to a Principal by a Member, including the rendering of advice, recommendations, findings, or opinions related to a retirement or other employee benefit plan.
- **Titles:** leadership positions, volunteer experience, awards and other honors conferred by American Retirement Association.

## **2. Advertising**

Member shall not engage in any Advertising with respect to Professional Services that the Member knows or is reasonably expected to know are false.

## **3. Communications**

A Member who issues a Professional Communication shall take appropriate steps to ensure that the Professional Communication is appropriate to the circumstances and its intended audience.

## **4. Compliance**

A Member shall be knowledgeable about this Code, keep current with Code revisions and abide by its provisions. Laws may impose binding obligations on a Member. This Code is not intended to supplant, contradict or supersede Law (e.g., Circular 230) or other Codes of Conduct that establish professional standards for Members in the rendition of Professional Services and that have been sanctioned by the federal or a state government. Where the requirements of Law or such governmentally-sanctioned Codes conflict with this Code, the requirements of Law or such governmentally-sanctioned Codes take precedence.

## **5. Confidentiality**

A Member shall not disclose to another party any Confidential Information obtained in rendering Professional Services for a Principal unless authorized to do so by the Principal or required to do so by Law.

## **6. Conflicts of Interest**

A Member shall not perform Professional Services involving an actual conflict of interest unless:

- The Member's ability to act fairly is unimpaired; and
- There has been full disclosure of the conflict to the Principal(s); and
- All Principals have expressly agreed to the performance of the services by the Member.

If the Member is aware of any significant conflict between the interests of a Principal and the interests of another party, the Member should advise the Principal of the conflict and include appropriate qualifications or disclosures in any related communication.

## **7. Control of Work Product**

A Member shall not perform Professional Services when the Member has reason to believe that they may be altered in a material way or may be used to violate or evade the Law. The Member should recognize the risk that materials prepared by the Member could be misquoted, misinterpreted, or otherwise misused by another party to influence the actions of a third party and should take reasonable steps to ensure that the material is presented fairly and that the sources of the material are identified.

## **8. Courtesy and Cooperation**

- A Member shall perform Professional Services with courtesy and shall cooperate with others in the Principal's interest. A Principal has an indisputable right to choose a



professional advisor. A Member may provide service to any Principal who requests it even though such Principal is being or has been served by another professional in the same manner.

- B. When a Principal has given consent for a new or additional professional to consult with a Member with respect to a matter for which the Member is providing or has provided Professional Services, the Member shall cooperate in assembling and transmitting pertinent data and documents, subject to receiving reasonable compensation for the work required to do so. In accordance with Circular 230, the Member shall promptly, at the request of the Principal, return any and all records of the Principal that are necessary for the Principal to comply with federal tax Law, even if the Member is not subject to Circular 230. The existence of a fee dispute generally does not relieve the Member of this responsibility except to the extent permitted by applicable state Law. The Member need not provide any items of a proprietary nature or work product for which the Member has not been compensated.

## **9. Disclosure**

A Member shall make full and timely disclosure to a present or prospective Principal of all sources of direct or indirect material compensation or other material consideration that the Member or the Member's firm has received or may receive in relation to an assignment for such Principal. The disclosure of sources of material compensation or consideration that the Member's firm has received, or may receive, is limited to those sources known to, or reasonably ascertainable by, the Member.

## **10. Professional Integrity**

A Member shall perform Professional Services and shall take reasonable steps to ensure that Professional Services rendered under the Member's supervision are performed with honesty, integrity, skill, and care. A Member has an obligation to observe standards of professional conduct in the course of providing advice, recommendations and other services performed for a Principal. A Member who pleads guilty to or is found guilty of any misdemeanor related to financial matters or any felony shall be presumed to have contravened this Code and shall be subject to American Retirement Association's counseling and disciplinary procedures.

## **11. Qualification Standards**

A Member shall render opinions or advice or perform Professional Services only when qualified to do so based on education, training, and experience.

## **12. Titles and Credentials**

A Member shall make truthful use of the membership Titles and Credentials of ARA to which the Member is entitled, and only where that use conforms to the practices authorized by American Retirement Association. A Member who is not an Actuary as defined in section 1 of this Code shall not professionally represent to the public to be an actuary or knowingly allow such misrepresentation by others.

### 13. Additional Obligations

- A Member whose professional conduct is regulated by another membership organization shall abide by the professional Code of Conduct (or similar rules) of such organization. For example, a Member who is an actuary shall also abide by the [Code of Professional Conduct for actuaries](#).
- A Member shall respond promptly in writing to any communication received from a person duly authorized by American Retirement Association to obtain information or assistance regarding a Member's possible violation of this Code. The Member's responsibility to respond shall be subject to Section 5 of this Code, "Confidentiality," and any other confidentiality requirements imposed by Law. In the absence of a full and timely response, American Retirement Association may resolve such possible violations based on available information.