

Common Types of Financial Planning & Advisory Professionals

Types of Financial Professionals	Role	Regulated by	Represents
Financial Planning Companies & Licensed Financial Planners (LFPs)	<ul style="list-style-type: none"> Coach & guide you on your financial goals Can draw up a detailed financial plan with directions on each area of your personal finances to meet your life goals Will review your financial plan at agreed intervals to ensure you're still on track to attain your life goals. 	Financial planning firms & their financial planners are both licensed by Securities Commission (SC)	Consumer
Financial Advisers (FAs) & Financial Adviser's Representatives (FARs)	<ul style="list-style-type: none"> Provide financial advisory services on insurance products & other services related to financial advisory business based on your financial needs & circumstances FAs are independent & are able to advise you on a wide range of insurance products and/or takaful plans from various insurance companies or takaful operators to best suit your needs. 	FAs are companies approved by BNM to provide financial advisory services whilst FARs are their appointed representatives	Consumer

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<ul style="list-style-type: none"> Unit Trust Consultant (UTC) Private Retirement Scheme Consultant (PRC) 	<ul style="list-style-type: none"> Offer suitable unit trust funds which match your risk appetite from the UTMC they're attached with. Offer the most appropriate PRS funds from the PRS Provider they're attached with. 	<ul style="list-style-type: none"> Unit Trust Consultants are tied to only one unit trust management company (UTMC) PRS Consultants are tied to only one PRS Provider They are registered with the Federation of Investment Managers Malaysia (FiMM)	<ul style="list-style-type: none"> Unit Trust Company Management PRS Provider for PRS funds
<ul style="list-style-type: none"> Wealth Managers (WMs) Financial Consultants (FCs) 	<ul style="list-style-type: none"> Are employees of banks. Their job title may vary among different banks. Recommend financial products & services (such as credit cards, bank loans, deposits & investment products) based on your needs & risk appetite 	Banks are licensed & regulated by BNM	Commercial Bank
Insurance or Takaful Agent	<ul style="list-style-type: none"> Primarily sells insurance policies or takaful plans issued by the insurance company / takaful operator it represents. 	<ul style="list-style-type: none"> PIAM (general agent) LIAM (life agent) Malaysian Takaful Association (takaful agent) 	Insurance Company or Takaful Operator



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DO I NEED A LICENSED FINANCIAL PLANNER?

- What is important to me?
- Where do I go from here?
- What do I want for my future?



THINGS I NEED TO KNOW:

- My skills in money management
- Unbiased information to make informed financial decisions
- Financial products to suit my needs
- Affordable financial planning fees

SELECTING A LICENSED FINANCIAL PLANNER

LICENSED VS CERTIFIED: WHAT'S THE DIFFERENCE?

Licensed Financial Planner	Certified Financial Planner®
Financial planning license from Securities Commission (CMSRL xxxxxx)	Qualified, have knowledge & competency but choose not to in practice, hence no licence
Can provide training or write articles on financial planning	Can provide general training on financial planning to a group of audience
Skills in coaching, counselling & guiding clients in their financial lives	Can write articles on financial planning topics (non-planning/advisory of personal nature)
Can draw up personal financial plans, sign off, advise clients & charge a fee	CFP ^{CERT} ™ credentials are for those who have passed the exams & have minimum 3 year related experience

7 Questions to Ask before Engaging a Licensed Financial Planner

1. Are you and your firm licensed with Securities Commission for financial planning?
2. What professional qualification (CFP^{CERT}™, IFP®) do you hold?
3. How many clients are you currently serving?
4. How are you remunerated (fees only, commission only or hybrid)?
5. Do you work with other professionals for which you receive a referral fee (tax agent, lawyer, remisiers, valuer, real estate agent)?
6. What are the scope of services you provide for your remuneration?
7. Do you provide a Letter of Engagement for your services?

COMMON TYPES OF DESIGNATIONS & THEIR ROLES

No	Licensed Designation	Services Provided							
		Comprehensive financial planning	Advise & recommend	Unit Trust		Insurance		Taxation	Estate Planning
				Sells products	Advise & sell Private Retirement Scheme (PRS)	Advise & recommend	Sells products	Advise	
1	Licensed Financial Planner (Individual) (CMSRL)	√	√	√		√	√	√	√
2	Financial Adviser Representative (FAR)					√	√		
3	Corporate Unit Trust Advisers (CUTA) Representative		√	√					
4	Unit Trust Consultant (UTC)			√					
5	Insurance Agent						√		
6	Estate Planner								√
7	Private Retirement Scheme Consultant (PRC)				√				

*Please check with financial intermediary on validity of license.