Appendix B
TECHNICAL KNOWLEDGE REQUIRED

Listing of Required Technical Knowledge

The Technical Knowledge required has been broken down into eleven categories:

I. Taxation
II. Insurance
III. Investment
IV. Retirement, Savings and Income Programs
V. Law
VI. Financial Analysis
VII. Economic and Regulatory Environment
VIII. Ethics and Standards
IX. Debt
X. Government Benefits Plans
XI. Behavioural Finance

This Technical Knowledge listing serves as the reference for the knowledge that individuals must possess for competent performance as a CFP professional.

I. TAXATION

1. Assessment Rules
- 1.01 Residency
- 1.02 Requirement to Self-Assessment
- 1.03 Reassessment
- 1.04 Administration and Enforcement

2. Employment Income
- 2.01 Definitions
- 2.02 Remuneration
- 2.03 Benefits
- 2.04 Deductions

3. Business Income
- 3.01 Definitions
- 3.02 Fiscal Year
- 3.03 Accrual Accounting Method
- 3.04 Deductibility of Business Expenses

4. Property Income
- 4.01 Interest Income
- 4.02 Dividends
- 4.03 Net Rental Income
- 4.04 Deductibility of Interest

5. Other Income
- 5.01 Taxable
- 5.02 Non-Taxable

6. Capital Gains and Losses
- 6.01 Definition
- 6.02 Calculation of Taxable Capital Gains and Allowable Capital Losses
- 6.03 Calculation of Net Capital Losses
- 6.04 Allowable Business Investment Losses (ABIL)
- 6.05 Depreciable Assets (Capital Cost Allowance (CCA), Recapture, Terminal Loss)
- 6.06 Eligible Capital Property
- 6.07 Principal Residence
- 6.08 Listed Personal Property
- 6.09 Personal-Use Property
- 6.10 Use of Capital Losses
- 6.11 Capital Gains Exemptions
- 6.12 Replacement Property Rules
- 6.13 Change of Use Rules
- 6.14 Capital Gains Reserve

7. Deductions from Income
- 7.01 Child Care Costs
- 7.02 Moving Expenses
- 7.03 Interest and Carrying Charges
- 7.04 Other Deductions

8. Tax Credits
- 8.01 Non-Refundable Tax Credits
- 8.02 Refundable Tax Credits

9. Tax Shelters
- 9.01 Structure of Tax Shelters
- 9.02 At-Risk Rules

10. Taxes Payable
- 10.01 Tax Rate
- 10.02 Marginal Tax Rate/Average Tax Rate
- 10.03 Federal/Provincial Taxes
- 10.04 Federal/Provincial Surtaxes
- 10.05 Rules Regarding Alternative Minimum Tax

11. Income Splitting
- 11.01 Attribution Rules
- 11.02 Methods

28. Measurement of Investment Risk

28.01 Standard Deviation
28.02 Beta
28.03 Impact of Diversification on Risk

29. Portfolio Management Techniques

29.01 Diversification
29.02 Active Asset Allocation Strategies
29.03 Passive Asset Allocation Strategies
29.04 Investment Product Analysis

30. Selling and Buying Techniques

30.01 Leverage
30.02 Dollar Cost Averaging
30.03 Dividend Re-Investment
30.04 Systematic Withdrawal Plans
30.05 Buy/Hold
30.06 Short Selling

IV. RETIREMENT, SAVINGS AND INCOME PROGRAMS

31. Registered Pension Plans (RPP)

31.01 Pension Standards Act
31.02 Attributes of RPPs
31.03 Defined Benefit Plans
31.04 Defined Contribution Plans/Money Purchase Plans
31.05 Supplementary Pension Arrangements

32. Deferred Profit Sharing Plans (DPSP)

32.01 Attributes of DPSPs
32.02 Contributions
32.03 Options on Termination/Retirement
32.04 Pension Adjustment and Pension Adjustment Reversal
32.05 Vesting
32.06 Death of the Participant

33. Registered Retirement Savings Plans (RRSP)

33.01 Contribution Limits
33.02 Retiring Allowance Rollover
33.03 Qualified Investments
33.04 Deductibility of RRSP Contributions
33.05 Beneficiary Designation
33.06 Maturity of an RRSP
33.07 Death of an RRSP Planholder
33.08 Types of Plans
33.09 Home Buyers' Plan (HBP)
33.10 Lifelong Learning Plan (LLP)

34. Registered Education Savings Plans (RESP)

34.01 Attributes
34.02 Contribution
34.03 Canada Education Savings Grant (CESG)
34.04 Withdrawals

35. Registered Retirement Income Funds (RRIF)

35.01 Attributes
35.02 Taxation

36. Life Income Funds (LIF)

36.01 Attributes
36.02 Taxation

37. Locked-In Retirement Income Funds (LRIF)

37.01 Attributes
37.02 Taxation

38. Annuities

38.01 Attributes
38.02 Taxation

V. LAW

39. Family Law

39.01 Marriage
39.02 Common-Law Relationships
39.03 Divorce
39.04 Domestic Contracts
39.05 Child Support
39.06 Spousal/Common-Law/Partner Support
39.07 Other Dependant Support

40. Wills

40.01 Purpose of a Will
40.02 Requirements for a Valid Will
40.03 Duties of Executor
40.04 Clauses of a Will
40.05 Multiple Jurisdictions
40.06 Legislation Governing Variations to Provisions of a Will
40.07 Probate
40.08 Types of Wills
40.09 Intestacy

41. Powers of Attorney (POA) for Financial Affairs

41.01 Implications of not having a POA
41.02 Legal Powers of the Attorney
41.03 Obligations of the Attorney
41.04 Specifics of POAs
41.05 Risks Associated with POA
41.06 Alternatives to POA

42. Powers of Attorney for Health Care (Living Wills)
- 42.01 Implications of not having a Living Will
- 42.02 Legal Powers of the Attorney
- 42.03 Obligations of the Attorney

43. Personal Property Ownership and Transfer Rules
- 43.01 Sole Ownership
- 43.02 Joint Ownership with Right of Survivorship
- 43.03 Tenants-in-Common
- 43.04 Beneficial Ownership

44. Business Property Ownership Structures
- 44.01 Proprietorship
- 44.02 Partnership
- 44.03 Corporations

45. Contract Law
- 45.01 Principles of Contract Law

46. Trust Law
- 46.01 Parties to a Trust
- 46.02 Attributes of the Trust

47. *Inter Vivos* Trusts
- 47.01 Types of Arrangements
- 47.02 Taxation

48. Testamentary Trusts
- 48.01 Types of Arrangements
- 48.02 Taxation

VI. FINANCIAL ANALYSIS

49. Analysis of Financial Information
- 49.01 Interest Calculations
- 49.02 Time Value of Money
- 49.03 Return Calculations

50. Personal Financial Ratios
- 50.01 Debt-to-Equity Ratio
- 50.02 Debt-to-Total Assets Ratio
- 50.03 Total Debt Service (TDS)
- 50.04 Gross Debt Service (GDS)

51. Budgeting
- 51.01 Cash Flow Analysis
- 51.02 Emergency Fund

52. Personal Financial Statements
- 52.01 Net Worth Statement
- 52.02 Cash Flow Statement
- 52.03 Budget

VII. ECONOMIC AND REGULATORY ENVIRONMENT

53. Economic Environment
- 53.01 Economic Indicators
- 53.02 Inflation, Deflation
- 53.03 Measures of Employment and Unemployment
- 53.04 Monetary Policy
- 53.05 Fiscal Policy
- 53.06 Business Cycles
- 53.07 Foreign Exchange Rates
- 53.08 Gross Domestic Product (GDP)
- 53.09 Financial Markets
- 53.10 Term Structure of Interest Rates and Yield Curves
- 53.11 Supply and Demand

54. Regulatory Environment
- 54.01 Regulatory Agencies for Financial Institutions
- 54.02 Consumer Protection
- 54.03 Stock Exchanges
- 54.04 Self-Regulatory Organizations
- 54.05 Securities Regulation
- 54.06 Provincial Securities Legislation
- 54.07 Public Company Disclosure and Investor Rights
- 54.08 Insurance Regulation

VIII. ETHICS AND STANDARDS

55. CFP Code of Ethics

56. CFP Financial Planning Practice Standards

IX. DEBT

57. Credit
- 57.01 Line of Credit
- 57.02 Credit Cards
- 57.03 Single Purpose Loan
- 57.04 Investment Loan
- 57.05 Insurance Loan
- 57.06 Company Loan

58. Mortgages
- 58.01 Regular Mortgages
- 58.02 Reverse Mortgages

59. Leases

60. Refinancing

61. Debt Consolidation

62. Insolvency and Bankruptcy

X. GOVERNMENT BENEFITS PLANS

63. Canada Pension Plan/Quebec Pension Plan

63.01 Eligibility for Benefits
63.02 Amount of Benefits
63.03 Contribution Levels
63.04 Tax Treatment of Contributions and Receipts
63.05 Application Requirements and Deadlines

64. Old Age Security

64.01 Eligibility for Benefits
64.02 Amount of Benefits
64.03 Clawback of Benefits
64.04 Income Qualification for Benefits
64.05 Tax Treatment of Receipts
64.06 Guaranteed Income Supplement (GIS)
64.07 Survivor Benefits
64.08 Application Requirements and Deadlines

65. Child Tax Benefit

65.01 Eligibility for Benefits
65.02 Amount of Benefits
65.03 Income Qualification
65.04 Tax Treatment of Benefits

66. Employment Insurance

66.01 Eligibility for Benefits
66.02 Amount and Calculation of Benefits
66.03 Contribution Levels
66.04 Tax Treatment of Contributions and Receipts
66.05 Types of Benefits

67. Workers' Compensation Programs

68. Income Assistance Programs

XI. BEHAVIOURAL FINANCE

69. Concept of Behavioural Finance

70. Human Behaviour

71. Heuristics