

# Your obligations as a Responsible Member

This document explains what is expected of each Chartered firm's Responsible Member (see below) and outlines the general precepts of professionalism as they apply to all disciplines wishing to be accorded this status (see overleaf).

1. As the Responsible Member for your firm, you are the focal point for all matters concerning the use of the title 'Chartered Financial Planners'. Guidelines, rules and regulations will be issued from time to time, and it is your responsibility to ensure your firm's Board (or Appropriate Management Team) is fully aware of those requirements. You personally will be expected to take all reasonable steps to ensure your Board (or Appropriate Management Team) meets its obligations and you must notify the CII at the earliest opportunity where there are circumstances preventing compliance.
2. If your firm falls below the requirements for Chartered Financial Planners status, as stated on your application, you must notify the CII immediately. Your firm's authorisation to continue to use a Chartered title may be at risk, irrespective of the reasons for non-compliance.  
  
In the event of any non-compliance, we will work with you to overcome short term difficulties, agreeing the remedial action you need to take, together with the proposed timescale. It is not possible to define any such 'period of grace' but we will take into account the circumstances of each case and will be fair both to the Chartered title-holding company and other CII stakeholders. The CII will not, however, sanction longer term default.
3. Paragraph 4.7 of the CII Code of Ethics requires that members act "only within your ability and authorisation and seeking help where necessary". You are expected to take all reasonable steps to ensure your Board (or Appropriate Management Team) is aware of its obligations in this regard and to notify the CII where a reasonable view is that any breaches are anything other than 'one-off' exceptions in respect of which corrective action has been taken to prevent a reoccurrence.
4. Each year you will receive a renewal reminder. It is your responsibility to submit the firm's application for renewal and to ensure the information provided is complete and accurate, to the best of your knowledge. This includes:
  - Submitting a renewal application form which evidences your firm's continued compliance with the eligibility criteria for corporate Chartered status.
  - Having made due enquiry, certifying that staff members notified to the CII under this scheme have complied with any CPD obligations that apply. Your personal CPD must also be up to date.

**Note:** Your firm is licensed to use the term Chartered Financial Planners and the licence is subject to withdrawal for non-compliance. To allow firms to use this title while not compliant would be to risk compromising the reputation of the CII and other compliant Chartered firms.

# The characteristics of a profession

What constitutes professionalism, both for an individual and for a firm? This is a question we are increasingly being asked and a matter on which understanding is essential if we are to ensure that our professionalism will be securely rooted and able to flourish.

The CII has analysed how other professions (such as accountancy and the law) define and express professionalism. Where appropriate, we have incorporated these views into our own approach, enabling us to assemble a list of characteristics that articulate professionalism in insurance broking and financial planning.

It should be noted that, while the CII is a professional body that monitors and, where necessary, disciplines its members (the CII can and does publicise the withdrawal of Chartered titles from members), we do not police or regulate all the areas mentioned below. In some instances, these are the responsibility of the FCA or other bodies. But we believe that all professionals should comply with these requirements, irrespective of how they are governed.

## Individual

- Members offer professional judgment, objective advice and act in the interests of the client
- Members observe a code of ethics that describes the desired standards of behaviour
- High entry standards in the form of examinations that are not easy to pass and require an initial lengthy period of study
- The requirement to maintain a high degree of competence and expertise involving continual professional development
- Effective regulation in the form of an independent body responsible for setting disciplinary procedures and monitoring behaviour
- Members are subject to an objective form of censure and are accountable to the profession for any breach of expected technical and ethical standards
- The nature of censure is sufficiently punitive to encourage members to maintain standards in line with requirements. This typically includes being “named and shamed” and potentially barred from the profession.

## Corporate

- A management with the experience and expertise to ensure the business model is sustainable and to implement the model effectively
- Corporate governance and systems that exert appropriate levels of control over the running of the business including risk management, maintaining adequate capital, record-keeping, training and competency programmes
- A culture that encourages the fair treatment of customers
- Encouragement of professional standards for employees through support for technical training and the development and encouragement of appropriate behaviour.