



investment management consultants association

# **CPWA®: Advanced Expertise for Advisors Who Work with High-Net-Worth Clients**

- Overview
- Application
- Real-Life Case Studies

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## What is IMCA?

- Established in 1985 to deliver the premier investment consulting and wealth management credentials and world-class educational offerings
  - **Members come from all channels of the financial services industry:** National Full Service Brokerage (61%); Independent B-D, RIA, or Dually Registered (20%); Regional or Bank B-D (17.2%)
  - Member benefits include significant discounts on IMCA certifications, conferences, and events; subscriptions to leading-edge publications; and access to powerful online resources and networking opportunities.
  - Learn more about membership at [www.imca.org/main/do/Members](http://www.imca.org/main/do/Members).
- Administers the **Certified Investment Management Analyst<sup>SM</sup> (CIMA<sup>®</sup>)** certification and the **Certified Private Wealth Advisor<sup>SM</sup> (CPWA<sup>®</sup>)** designation.



## Certified Private Wealth Advisor

- The CPWA designation is an advanced credential created specifically for financial advisors and consultants who work with high-net-worth clients on the life cycle of wealth: accumulation, preservation and distribution.
- Candidates who attain this designation will gain superior expertise in advanced wealth management content, strategies and applied concepts.

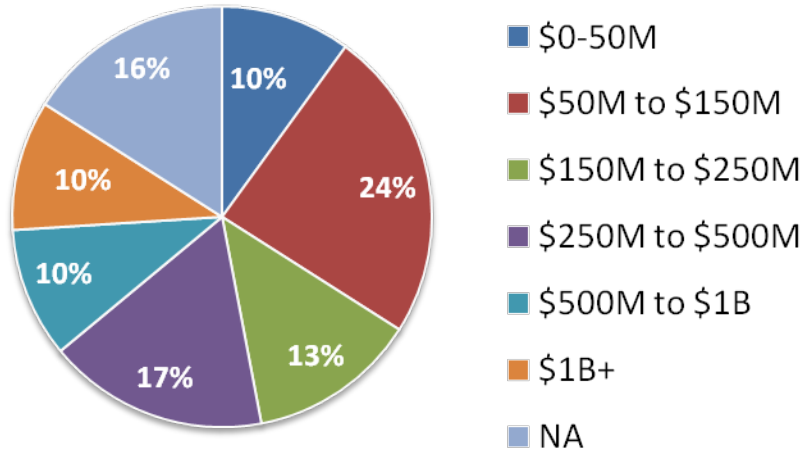


## CPWA Designee Demographics

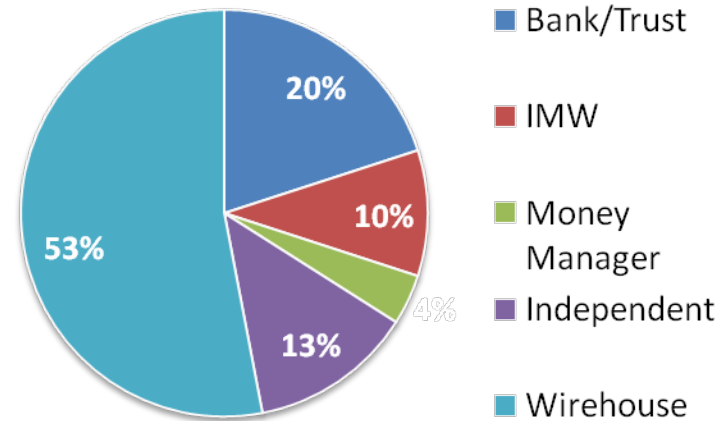
- 77% of graduates have more than ten years of experience
- 35% of graduates have an MBA or higher level of education

**Class Designations:** 51% of graduates are CIMA professionals; 33% are CFP professionals; and 12% are CFA professionals

Assets Under Management



Industry Representation





## Steps to CPWA Certification

1. Submit CPWA Certification Program Application and fee. Candidates must have a Bachelor's degree or other qualifying designation, acceptable regulatory history, and five years of client-centered experience in financial services.
2. Complete the pre-study program.
3. Complete the in-class program at The University of Chicago Booth School of Business.
4. Pass comprehensive examination.
5. Sign licensing agreement, submit initial certification fee, and agree to adhere to IMCA's *Code of Professional Responsibility, Standards of Practice, and Rules and Guidelines for Use of the Marks*.



## CPWA Fees

Prices are subject to change, but currently the total cost for the program—including room and board, materials, and instruction—is as follows:

- **Members:** \$7,475
- **New Members:** \$7,870 (\$7,475 for certification program and \$395 for annual membership)
- **Non-members:** \$7,975

Recertification fees every two years are:

- **Members:** \$100
- **Renewing Members:** \$495 (\$100 for recertification fee and \$395 for membership renewal)
- **Non-members:** \$500



## CPWA Program Core Topic List

- Ethics
- Tax Planning
- Portfolio Management & Behavioral Finance
- Planning for Executives
- Planning for Closely Held Business Owners
- Retirement Planning
- Risk Management & Asset Protection
- Charitable Planning
- Estate Planning
- Client Relationships, Family Dynamics, & Legacy Planning



## What is the difference between CPWA and CFP®?

- **The CPWA program takes general financial planning topics covered by CFP curriculum to a much deeper level**, and it introduces advanced wealth management content that is not included in the CFP program.
- **CPWA content is designed for veteran advisors with established careers** who already have an understanding of the fundamental concepts of financial planning and are now focusing on the specific challenges of advising high-net-worth clients, such as executives with multi-million dollar stock options and concentrated stock positions, or small business owners looking to sell their businesses soon.
- The content of the CFP program is ideal for financial planners, who often earn the marks in the early stages of their careers.



<b>CPWA Core Topics</b> <i>Advanced Wealth Management</i>	<b>CFP Core Topics</b> <i>Holistic Financial Planning</i>
Ethics	General Principles of Financial Planning
Tax Planning	Insurance Planning & Risk Management
Portfolio Mgmt & Behavioral Finance	Employee Benefits Planning
Planning for Executives	Investment Planning
Planning for Closely Held Business Owners	Income Tax Planning
Retirement Planning	Retirement Planning
Risk Management & Asset Protection	Estate Planning
Charitable Planning	
Estate Planning	
Client Relationships, Family Dynamics, & Legacy Planning	
Retrieved from <a href="http://www.imca.org/main/do/CPWAoverview">http://www.imca.org/main/do/CPWAoverview</a>	Retrieved from <a href="http://www.cfp.net/become/topiclist.asp">http://www.cfp.net/become/topiclist.asp</a>



## CPWA Pre-Class Study Program

- CPWA candidates complete a 6-month pre-class study curriculum that includes both print and online materials:
  - **Online learning platform** guides students through readings and other assignments related to program learning objectives
  - **Live and recorded teleconferences** with instructors and content experts
  - **Case studies and exam prep materials**
  - **Program section quizzes** to evaluate progress and study for final examination
- Candidates can expect to study approximately 10 hours per week, although this may vary depending on experience.

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## CPWA Educational Partner and Upcoming Schedule



Pre-Study	In-class	Status
September 2011–March 2012	<b>March 5–9, 2012*</b>	Accepting Applications
November 2011–May 2012	<b>May 7–11, 2012*</b>	Accepting Applications
April–September 2012	<b>September 17–21, 2012*</b>	Accepting Applications
June–November 2012	<b>November 5–9, 2012*</b>	Accepting Applications

**The deadline for the September 2011–March 2012 is September 16, 2011.  
 The deadline for the November 2011–May 2012 is November 11, 2011.**



## CPWA Renewal Requirements

There are three requirements to renew the CPWA designation. Designees must:

1. Complete and report a minimum of 40 hours of CE credit, including two ethics hours;
2. Pay a designation renewal fee for the next two-year designation renewal period (\$100 for IMCA members, \$500 for nonmembers, or \$495 for those who wish to join IMCA or renew their membership); and
3. Sign and submit continued adherence to IMCA's *Code of Professional Responsibility and Rules and Guidelines for Use of the Marks*, as well as disclose any federal/state regulatory actions or complaints.



## CPWA Testimonials

- *“I absolutely enjoyed the program. I feel I've learned more in the last six months than I have in the last nine years.”*  
-Chad Williams, Capital Investment Management , Denver, CO
- *“By offering advanced content about wealth management for high-net-worth clients, the CPWA designation helped me develop a more sophisticated understanding of the complex needs of affluent individuals. In particular, I gained specialized knowledge about planning for executives that I utilize in my practice. I serve the CFO of a privately held company, and the skills I learned about tax implications, gifting strategies, and restrictions of exercising and selling stock options allow me to offer this client the highest level of service.”*  
- Gregory Chapman, Morgan Stanley Smith Barney, Grand Rapids, MI



## CPWA Case Study #1: Ms. Jen

Jen is a go-getter jet setter business consultant. Having matriculated from an Ivy League business school she has enjoyed a rapid rise. She has benefited from the robust stock market (must be an old case) and her stock options have become worth a great deal. She also has company stock with both short-term and long-term gains. Additionally she has built a diversified portfolio of equities with additional gains: circa, \$750,000 long-term and \$750,000 short-term.

She is feeling euphoric about her success and would like to gift \$500,000 to her alma mater. What should you advise? How does the information you learned from the CPWA curriculum impact your recommendations?



## CPWA Case Study #2: Mr. and Mrs. Edwards

The Edwards have been married for 15 years and have two children ages 5 and 10. Mr. Edwards is a senior-level manager for an energy company. He has \$3,000,000 in various stock options. One-half of these options are vested and if exercised would have a short-term gain of \$1,200,000. They have a joint account worth \$900,000 which is allocated 1/3 stock funds, 1/3 bonds, and 1/3 hedge funds. The stock funds have unrealized long-term gains of \$140,000, and short-term gains of \$60,000. The bonds are roughly equal to the purchase price and produce an average yield of 5.5%.

The Edwards take care of her aged parents and have depleted all of their cash reserve to pay for part-time nursing assistance and to re-fit the parent's house rather than send them to a nursing home. They are still short \$150,000 for the remaining build out, and they need \$60,000 to pay for Sam's and Mary's private school tuition this year.

How should they create the liquidity? What protocol would you use to solve this problem? Should they borrow the money on margin to avoid taxes? Should they liquidate the bonds as there is no gain? What about the options and the equities? What should you advise? How does the information you learned from the CPWA curriculum impact your recommendations?

## IMCA Member Benefits

IMCA is the community for advanced investment consulting and wealth management professionals. IMCA members receive a significant return on their \$395 annual investment.

### **Subscriptions to IMCA's world-class, peer-reviewed educational content:**

- *Investments & Wealth Monitor*, a bi-monthly educational magazine;
- *IMCA Research Quarterly*, featuring proprietary, in-depth research analyzed and reported in collaboration with Cerulli Associates;
- *Journal of Investment Consulting*, an academic publication focused on empirical, graduate-level research;
- *IMCA Case Study Connections*, a bi-annual case study that examines a timely and relevant topic within the investment consulting and wealth management business and provides the opportunity for members to discourse via IMCA's LinkedIn online community.
- *Legislative Intelligence*, an electronic newsletter providing updates and information on legislation and regulations;
- *IMCA Insight*, a bi-weekly e-newsletter featuring industry news and educational content.

## IMCA Member Benefits

- **Subscription to *Bloomberg BusinessWeek* magazine**
- **Substantial discounts on education and certification offerings**, including conference registration, application and relicensing fees, and IMCA audio broadcasts.
- **Members-only access to premier Web-based content and resources**, including model RFP forms, customizable questionnaire templates, and hundreds of online peer-reviewed articles.
- **Networking opportunities through IMCA's LinkedIn group**
- **Affinity programs with online content or software providers**, including [Horsemouth.com](http://Horsemouth.com), premium subscription to [Roubini.com](http://Roubini.com), and [IPS AdvisorPro](http://IPS AdvisorPro)<sup>®</sup>.

## IMCA Conferences

### 2011 Conferences:

- **IMCA 2011 New York Consultants Conference**  
February 7-8, 2011, New York, NY
- **IMCA 2011 Spring Specialty Conference—Behavioral Finance and Investment Theory**  
March 7-8, 2011, Aventura, FL
- **IMCA 2011 Annual Conference**  
May 16-18, 2011, Las Vegas, NV
- **IMCA 2011 Advanced CIMA® Workshop: The Best of Wharton**  
July 18-19, 2011, Philadelphia, PA
- **IMCA 2011 Advanced Wealth Management Conference**  
October 10-11, 2011, Chicago, IL
- **IMCA 2011 Winter Specialty Conference—Topic to be announced**  
December 5-6, 2011, Vail, CO

### 2012 Conference confirmed to date:

- **IMCA 2012 New York Consultants Conference**  
January 30-31, 2012, New York, NY
- **IMCA 2012 Annual Conference**  
April 23–25, 2012, National Harbor, MD (outside Washington, DC)

*In a recent survey, the majority of IMCA members rated IMCA conferences “better” or “much better” than other industry events.*



## Best of IMCA Advanced IMCA Content Delivered Locally

New this year, IMCA is offering “Best of IMCA” workshops in addition to its national and specialty conferences. This series of one-day seminars was created in collaboration with top finance faculty of The Wharton School, University of Pennsylvania and leading investment and wealth advisory practitioners. Best of IMCA seminars are approved for up to 6.5\* hours of CIMA®, CPWA® and CFP® continuing education credit.

Six locations were selected for the 2011 series:

- **Toronto, Ontario, Canada** – *April 12, 2011*
- **Vienna, VA (Washington, DC area)** – *April 27, 2011*
- **Irvine, CA (Los Angeles, CA area)** – *June 1, 2011*
- **Dallas, TX** – *June 23, 2011*
- **Houston, TX** – *August 11, 2011*
- **San Francisco, CA** – *October 27, 2011*

*\*Subject to change, which may affect the type and total number of hours delivered.*

Visit [www.bestofimca.org](http://www.bestofimca.org) for more information and announcement of 2012 locations and dates.



## What Next?

- Download an application at [www.CPWAadvisor.org](http://www.CPWAadvisor.org)
- Check your firm's reimbursement policy (if applicable)
- Enrollment deadline for the March 2012 cohort is September 16, 2011 and the enrollment deadline for the May 2012 cohort is November 11, 2011 or as soon as cohorts reach capacity

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## Questions?

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