

# Qualified 401(k) Consultant QKC Credential *Candidate Handbook*



**ASPPA**

American Society of  
Pension Professionals  
& Actuaries

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## Introduction

### **About the QKC Credential**

ASPPA's Qualified 401(k) Consultant (QKC) credential joins an impressive lineup of designations widely recognized within the retirement plan industry. The QKC credential demonstrates comprehensive understanding of 401(k) plan design. The QKC complements your QKA® plan administration knowledge and prepares you to serve in a consultative capacity. Please note that the QKC content was formerly known as DC-3.

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

ASPPA began in 1966 as an actuarial organization, but since that time we have changed to reflect the shifts in the retirement plan industry. As a result, ASPPA now represents business owners, actuaries, TPAs, record keepers, consultants and more. While ASPPA members come from all corners of the country, they are all united by their belief in and commitment to the private pension system.

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*In pursuit of these goals, ASPPA offers its more than 7,000 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, 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.

More than 26,000 members strong, today the American Retirement Association is comprised of five premier retirement industry associations; 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 QKC 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 QKC credential individuals must:

- Hold the QKA® credential
- Pass the QKC exam
- Agree to abide by the ARA Code of Professional Conduct
- Apply for the credential

## Exam Requirement

Candidates must earn passing scores on the QKC proctored exam. The passing score is 70%.

## Experience and Education Requirement

Candidates must hold the QKA® credential.

## 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 QKC Credential Exam

### Summary

The number of hours of study needed to prepare for ASPPA examinations varies from person to person depending on the length and breadth of a person's experience in the field. Many successful candidates begin studying several months before an examination date in order to allow sufficient time to cover all the material to the proper extent.

To gain the knowledge and understanding of the material needed to pass the examination, candidates will be required to read the study guide, sections of legislation, the Internal Revenue Code (IRC), and various other government releases.

ASPPA has available study materials to help individuals prepare for the QKC exam. These include:

### The QKC Study Guide

Each chapter in this study guide includes a review of key concepts and several practice exam questions to help exam candidates assess their knowledge of the material.

- Chapter 1 – Plans Covering More Than One Employer and Leased Employees
- Chapter 2 – Other Employer Situations
- Chapter 3 – Controlled Groups and Affiliated Service Groups
- Chapter 4 – Compensation
- Chapter 5 – Average Benefit Test and Special Rules
- Chapter 6 – Nondiscrimination
- Chapter 7 – Employee Stock Ownership Plan
- Chapter 8 – Fiduciary Standards
- Chapter 9 – Prohibited Transactions
- Chapter 10 – Distributions Upon Death and Life Insurance
- Chapter 11 - Code of Professional Conduct

### The QKC Practice Exam

The QKC Practice Exam is designed as a study tool to help candidates master material covered in the exam.

The practice exam consists of 60 multiple-choice questions that are similar to those found on the credential exam. The practice exam can be taken an unlimited number of times. Candidates will receive feedback on answer choices as a guide for further review.

## Section 3: Exam Administration

### Exam Formats

The QKC credential exam is delivered using a proctored online examination system. The exam consists of 55 multiple-choice questions. Candidates have a time limit of 2½ hours to complete the exam.

### Exam Fees

The exam fee is \$390 for exams not purchased as part of a QKC education bundle.

### Delivery

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

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

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.

### Exam Scoring

The final score will be reported to candidate after provisional score is reviewed and confirmed by ASPPA staff.

### Time Limit

All credential exams are timed and must be completed within the allotted time. The time limit for the exam is 2½ hours. 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 will receive an email from the ASPPA exam system after exam results are validated. Candidates will be directed to access the ASPPA exam system to view their exam score, review their score report, and download a certificate of completion if they have passed. For security reasons, results will not be provided over the phone or sent by fax.

### Exam Window

The exam window is three complete calendar months following the date of exam enrollment. Candidates will receive written confirmation of the exam window and exam expiry date.

## Score Reports

Candidates may request a score report upon completion and approval of the exam. Score reports will indicate how an individual performed in each topic area.

## Language

The QKC credential exam is offered 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 must be submitted in writing to [rpa@usaretirement.org](mailto:rpa@usaretirement.org).

## Statement of Non-Discrimination

ASPPA endorses the principles of equal opportunity. Eligibility criteria for examination and credentialing 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 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 or other violations of the ARA Code of Conduct, or 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 QKC Credential Membership

### **Credentialed Membership Application**

Candidates who meet the qualifications described above may apply for QKC 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 QKC membership may list the credential on stationery, websites, business cards and other promotional materials as:

- First name, Last name, ASPPA QKC
- First name, Last name, Qualified 401(k) Consultant
- First name, Last name, QKC

Should the credential be suspended or withdrawn for any reason, the individual must immediately cease the use of the title ASPPA QKC 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 applies to all ASPPA credentialed members who hold an ASPPA credential, regardless of when the credential(s) were awarded.

### Continuing Education Requirements

ASPPA credentialed members must complete forty (40) hours of Continuing Education (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 and the 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

Reported 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 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: ASPPA QKC Exam Outline

### Leased Employees (7%)

1. Describe a multiple employer plan and describe its impact on plan administration.
2. Identify a multiemployer plan and its impact on plan administration.
3. Describe the four requirements that must be met to treat an individual as a leased employee under IRC §414(n).
4. Compare the treatment of leased employees in a recipient client organization's single employer plan to that in a multiple employer plan sponsored by the leasing organization.

### Other Employer Situations (7%)

1. Discuss the characteristics of different types of business entities.
2. Calculate compensation for purposes of contribution allocation to a self-employed person.
3. Describe what a QSLOB is and how it impacts the plan's testing.
4. Identify the six safe harbor tests that a QSLOB can use to satisfy the administrative scrutiny test.

### Controlled Groups and Affiliated Service Groups (13%)

1. Discuss the impact of controlled group status when applied to the qualified plan requirements.
2. Differentiate between a brother-sister controlled group and a parent subsidiary group.
3. Explain the attribution rules applicable to controlled groups under IRC §1563, including exceptions to spousal attribution.
4. Determine whether a controlled group exists.
5. Discuss the impact of affiliated service group status when applying the qualified plan requirements.
6. Determine whether an organization is a service organization, a professional service organization or an FSO.
7. Determine whether an organization is a management organization based on the type and degree of services performed.
8. Explain the attribution rules applicable to affiliated service groups under IRC §318. Determine whether an ASG exists under IRC §414(m).

### Compensation (7%)

1. Compare the definitions of compensation under IRC §§415 and 414(s).
2. Explain when a plan's definition of compensation is subject to nondiscrimination testing.
3. Calculate the compensation nondiscrimination test.
4. Determine the impact of short plan years and short tax years on deduction limits.
5. Determine the deduction limits as they apply to overlapping defined benefit/defined contribution plans.

**Average Benefit Test and Special Rules (11%)**

1. Identify the components of the average benefit test and be able to demonstrate such testing.
2. Determine which plans or components of a plan may or must be aggregated or disaggregated for minimum coverage purposes.
3. Explain the otherwise excludable rules regarding coverage testing.
4. Describe how mergers, acquisitions and spin-offs affect coverage testing.
5. Identify the three simplified procedures for establishing employee data for testing coverage in a plan year.
6. Determine the impact of leased employees on coverage testing.
7. Determine corrections that can be made when a plan does not satisfy coverage requirements.

**Nondiscrimination (13%)**

1. Determine when an IRC §401(a)(4) general test calculation might be needed.
2. Describe allocation rate group testing and determine allocation rate groups.
3. Describe the concept of cross-testing and determine EBARs.
4. Describe the gateway test, determine when it is required and calculate the test.
5. Discuss the interaction of coverage testing under IRC §410(b) and nondiscrimination testing under IRC §401(a)(4).
6. Identify aggregation, disaggregation and restructuring issues associated with nondiscrimination testing.
7. Describe a plan's benefits, rights and features and explain the testing of such features for current and effective availability.
8. Determine corrections that can be made when a plan does not satisfy nondiscrimination requirements.

**Employee Stock Ownership Plans (ESOPs) (13%)**

1. Discuss the reasons a plan sponsor might establish an ESOP.
2. Describe the key features of a stock bonus plan.
3. List the primary characteristics of an ESOP.
4. Explain the rules regarding an IRC §1042 election, including allocation restrictions.
5. Explain the requirement to allow participants to request a distribution in the form of stock, and how net unrealized appreciation is calculated.
6. Determine which participants are eligible to diversify their accounts, and be able to demonstrate a diversification calculation.
7. Explain the special rules regarding plan operation and administration of a leveraged ESOP.
8. Compare ESOP rules and reporting requirements for a plan sponsored by an S corporation versus a C corporation.
9. State the mechanics of the IRC §409(p) rules and how they impact an S-Corporation ESOP.

**Fiduciary Standards (7%)**

1. Determine whether an individual is a fiduciary and identify the parties who serve as fiduciaries.
2. Discuss fiduciary duties and responsibilities and describe the standards for fiduciary conduct.

3. List the factors that a fiduciary should consider when choosing a service provider.
4. Identify the actions which may result in fiduciary liability.
5. Identify the consequences and sanctions associated with a breach of fiduciary duty.

### **Prohibited Transactions (13%)**

1. Identify a disqualified person.
2. Identify a party-in-interest.
3. Illustrate a prohibited transaction.
4. Explain how a class exemption differs from an individual exemption and describe the major class exemptions.
5. Describe and calculate the penalties applicable to prohibited transactions, including first and second tier taxes.
6. Identify the form required to transmit the prohibited transaction excise taxes to the IRS and its due date.
7. Identify who is a covered service provider under the fiduciary fee disclosure regulations.
8. Explain the consequences for failing to make required fiduciary fee disclosures.

### **Distributions Upon Death and Life Insurance (7%)**

1. Identify the information that must be provided to a participant in the required notice for a distribution to occur, and whether consent is required.
2. Identify the impact of the repeal of DOMA on the definition of spouse for various plan purposes, including attribution rules, definition of HCE, definition of key employee, distribution, and beneficiary purposes.
3. Explain how insurance works in a defined contribution, including the calculation of death benefits.
4. State the applicable limits on the amount of life insurance in a defined contribution plan.

### **ASPPA Code of Professional Conduct (2%)**

1. Demonstrate knowledge of the provisions of the ASPPA Code of Professional Conduct.



## Section 7: ASPPA Examination Policy

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

### Online 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. The score report indicates "needs work" for any topic where the candidate scored less than 70%. 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 Exam Policy**

ASPPA's Certificate program exams are not proctored. They are open-book online exams. Each consists of multiple-choice and true/false questions. Upon completion of a certificate program exam, a candidate will receive an immediate score and feedback/summary report. The summary report will provide the candidate with the exam questions, their responses, and which questions were answered correctly or incorrectly. 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.

In general, two attempts on each certificate exam are permitted per purchase. Candidates are only required to pass one attempt. If a candidate's first attempt is unsuccessful, a second attempt will be available in the Learning Management System (LMS) during the 180-day access period. For example, if a candidate registers for the Retirement Plan Fundamentals exam and fails, they can retry the exam. If a candidate fails both attempts of the exam, the candidate must purchase the exam again.

## **CPC (Consulting) Modules**

Each CPC module includes an online exam which consists of 20 multiple-choice questions. Only one exam attempt is permitted per CPC module purchase. If candidates are not successful in their first attempt, they are required to repurchase the module. If candidates fail one or more CPC modules, they can still complete the CPC proctored exam and other CPC modules. 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.

## 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.