

Financial Therapy Association

CFT-I™ Practitioner
Handbook



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Certification by the Financial Therapy Association (the "Association") demonstrates that the individual holding such certification has met the application criteria, has completed the education requirements, and has passed the examination or examinations to receive such certification. Certification is not a guarantee of the competence or ability of any individual practitioner, nor is it an endorsement of any practitioner. It is the responsibility of the individual seeking treatment to independently determine if the therapy relationship or the treatment sought or received is appropriate and effective for the individual's circumstances.

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If you have a complaint about the services or actions of an Association certificant, you may submit the pertinent information to the Disciplinary Committee via email at admin@financialtherapyassociation.org. The sole responsibility of the Association will be to review the complaint and determine whether the complaint warrants further investigation or disciplinary action against the certificant. Other than the above, the Association does not assume any responsibility for the actions of its certificants.

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The educational and examination materials (the "Materials") are intended to assist candidates in achieving the requirements for certification by the Financial Therapy Association (the "Association.") They are not intended to supplant any other educational or certification prerequisite other than the certifications conferred by the Association. The user is solely responsible for his or her own use of the Materials. Furthermore, the Materials may include technical inaccuracies or typographical errors. While the materials are maintained and updated as necessary to reflect the most current information, the Association cannot warrant that the Materials will at all times reflect such information. Changes may be made to the Materials at the discretion of the Association at any time and without notice.

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A Letter from the FTA Board

We are delighted you have made the decision to embark on your journey toward becoming a Certified Financial Therapist™ (CFT-I™). The path ahead includes education, ethics, examination, and above all - personal exploration. This handbook has been designed as a map to certification including how to get started, experience and ethics requirements, and examination processes and procedures. Most importantly, this handbook outlines how to achieve the goal of becoming a Certified Financial Therapist™.

As you begin this process, we want to provide encouragement and support for two particular “legs” of your journey. The first of these legs is personal exploration. All individuals pursuing the CFT-I™ certification face new perspectives and information that may be counterintuitive to long-held belief systems. We want to assure you that this is normal and that you are not alone. If you can learn through these moments, you will finish this journey with greater personal enlightenment. Keep going!

The second “leg” that often gives perspective CFT-I™’s pause is examination (and it should!). Passing the examination is a signal to others that you have attained the requisite knowledge and experience to carry the CFT-I™ - this achievement is no small feat. To this end, we have made it a priority at the Financial Therapy Association to provide information about the exam structure and topics to relieve stress and ensure you are prepared. The examination has three sections: Financial Planning, Mental Health and Therapeutic Methods, and Financial Therapy, including a focus on professional ethics. The Financial Therapy Association has developed a practice exam and extensive study guide to help you optimize your preparation efforts. Thus, whether you began your studies through a university setting or through the Financial Therapy Association’s self-study program – you should be in good shape for the CFT-I™ exam.

As mentioned throughout this letter, we mean it when we say you are not alone. The Financial Therapy Association is a resource that you may call on at any time. You may send an email to admin@financialtherapyassociation.org and tell us what is on your mind.

In closing, the FTA Board welcomes you and wishes you both personal and examination success! Good luck!

Sincerely,

The FTA Board

About FTA

Mission

The Financial Therapy Association (FTA) is an organization comprised of professionals dedicated to the integration of cognitive, emotional, behavioral, relational, and financial aspects of well-being. The FTA exists to unite professionals from multiple disciplinary backgrounds to foster the financial therapy profession, disseminate cutting edge research, best practices, and training that enhance client quality of life, and shape public policy and practice management standards within financial therapy.

Vision

Members of the Financial Therapy Association (FTA) are actively engaged in the development and advancement of financial therapy. The FTA aims to:

- Grow the financial therapy profession
- Shape financial therapy practice standards and ethical guidelines
- Communicate financial therapy competencies and training requirements
- Promote empirical research and theoretical development through the *Journal of Financial Therapy* and other professional and academic outlets
- Increase awareness of financial therapy for the general public
- Expand visibility of financial therapy to financial and mental health professionals
- Engage FTA members in the advancement of financial therapy

Preparing for the CFT-I™ Certification

About CFT-I™ Certification

The Certified Financial Therapist-I™ (CFT-I™) designation is a professional certification for both financial and mental health professionals conferred by the Financial Therapy Association. There are three planned levels of the certification, with Level I being the most foundational. To become a CFT-I™, individuals must meet specific educational and experience requirements across the areas of 1) financial therapy, 2) financial planning and financial counseling, and 3) therapeutic competencies. The most up-to-date certification information is available on the FTA website at www.financialtherapyassociation.org/certification

Eligibility

The FTA Regulatory Committee has developed requirements for eligibility to ensure that the application process is fair and impartial. Each eligibility requirement has been established to ensure that individuals certified by FTA have acquired the foundational knowledge and experience necessary for certification.

Education

CFT-I™ applicants are required to have a Bachelor's degree or higher in:

- A** A Financial related field (e.g., financial planning, finance, consumer economics);
or
- B** A Mental Health related field (e.g., psychology, therapy/counseling, social work, human development)
or
- C** If you hold a Bachelor's degree in any other field, plus hold the CFP® or AFC® designation, the educational requirements will be considered met;
or
- D** If you hold anything other than what is outlined within points A, B, or C, you will need to submit for a *special review*, in which the FTA Regulatory Committee will conduct a review to determine how your education aligns with certification requirements, which may include a review of your credentials, experience, formal education, and personal references. See the Application Section for more information on the Special Review Process.

Competency Training

Applicants must acquire the competencies for CFT-I™ certification via FTA's educational video series, as well as from a combination of other self-study materials. The FTA educational video series has been prepared by experts, both practitioners and academics, in their respective fields. The video series is designed to deliver the foundational education expected of a Certified Financial Therapist - Level I™ within the competency area of Financial Therapy.

CFT-I™ Education Videos

Standards of Practice and Ethical Considerations

1. Introduction to Ethics and Standards in Financial Therapy
2. Differentiating Financial Therapy within the Professional Landscape
3. Navigating "Red-Flag" Issues as a CFT-I™

Self-of-the-Financial Therapist

4. An Introduction to Self-of-the-Financial Therapist: Building Awareness of Our Own Money Selves

Money and Relationships

5. Systems Theory: An Important Lens for Financial Therapists
6. Additional Theoretical Lenses for Financial Therapists
7. Framing Money Patterns and Behaviors
8. Exploring Financial Enmeshment
9. Intergenerational Wealth Transmission
10. Exploring Money Conflict
11. Relationship Dissolution and Divorce
12. Exploring Relational and Financial Infidelity
13. Identifying Relational and Financial Abuse
14. Financial Trauma

Evaluation of Financial Therapy Research

15. An Introduction to Research Evaluation for a CFT-I™

In addition to the video series, FTA has gathered a list of resources that should be used when preparing for the CFT-I™ examination. These resources span Financial, Mental Health and Financial Therapy competencies that will be tested on the Level I exam. No one comprehensive resource is available for Level I exam preparation. Instead, applicants should consider the resources contained within the resource guide's competency matrix, as well as one's current level of knowledge and preparation.

Refer to Appendix II for the CFT-I™ Competency Training outline for a full list of the competency areas and learning outcomes.

Refer to Appendix III for a list of the CFT-I™ Resources as identified by the Financial Therapy Association as relevant for candidates for the Level I exam.

Experience

In addition to the Education and Competency requirements, applicants must demonstrate that they have completed the following Experience requirements (Parts I-III).

Part I: The CFT-I™ experience requirement consists of a total of 500 hours*, 250 of which must be direct client service hours from their home discipline or from the field of Financial Therapy (paid or volunteer is acceptable).

The remaining 250 hours can be earned through alternative experience, which includes:

- A Additional direct client experience (up to 250 hours)
- B Professional presentations (up to 50 hours)
- C Teaching (up to 125 hours)
- D Peer-reviewed research (up to 50 hours)
- E Writing financial plans or conducting financial analysis (up to 125 hours)

**Documented hours within 15 years of the application date will be accepted.*

Part II: Applicants will have a letter of reference submitted on their behalf attesting to their fulfillment of the experience requirement, as well as a brief narrative on their skills and character.

Part III: Applicants will also submit a summary narrative of how CFT-I™ education and financial therapy knowledge has impacted their thinking and/or work in their home discipline (a minimum of 1000 words, up to a maximum of 1500 words).

Examination

Applicants must successfully pass a comprehensive CFT-I™ certification exam after completing all necessary competency training and self-study. This phase of the CFT-I™ candidacy can only be pursued after the application for candidacy eligibility is approved by the Regulatory Committee.

The CFT-I™ certification exam will consist of 100 multiple-choice questions and can be taken via an online platform at any location and any time after being approved by the Regulatory Committee to proceed into CFT-I™ candidacy. The exam will be limited to a two (2)hour time limit. The multiple-choice questions will be based on the following competency areas and associated weightings.

CFT - LEVEL I COMPETENCY TRAINING REQUIREMENTS

Therapeutic Competencies 30%	Financial Competencies 30%	Financial Therapy Competencies 30%
The Fundamentals of Therapy 10%	The Fundamentals of Economics 5%	Self of the Financial Therapist 20%
Theories and Models of Therapeutic Intervention Part 1 20%	The Basics of Behavioral Economics 10%	Ethical Behavior and Standards of Practice 40%
Theories and Models of Therapeutic Intervention Part 2 15%	The Fundamentals of Financial Planning & counseling/basic TVM 15%	Money and Relationships 30%
Communication/General Counseling Skills Part 1 20%	Money Management - I Cash Flow and Net Worth 15%	Evaluation of Financial Therapy Research 10%
Communication/General Counseling Skills Part 2 15%	Money Management - II Credit and Debt Management 10%	
Knowledge of Mental Health Diagnoses 10%	The Fundamentals of Economics 5%	
Culture and Diversity 10%	Basic Financial Analysis (tax, investments, & retirement) - I 20%	
	Basic Financial Analysis (education, insurance, estate planning) - II 20%	

There is no published minimum pass rate for the CFT-I™ Exam. Each candidate will be notified immediately of their successful pass or failure of the CFT-I™ Exam.

See **Appendix IV** for a list of sample CFT-I™ Exam Questions.

The exam has the following retake policy:

- Candidates are allowed to retake the exam thirty (30) days after a failed attempt;
- Candidates are allowed three (3) attempts in their first twelve (12) months of being approved to take the exam initially;
- After a failed third (3rd) attempt, candidates must wait a mandatory 12 months until the next attempt;
- Candidates are limited to a maximum five (5) lifetime attempts at the CFT-I™ Exam.

Ethical Standards

All applicants must sign an agreement to adhere to the FTA Standards of Practice and Code of Ethics upon achieving all other areas of eligibility.

Refer to **Appendix I** for the FTA Standards of Practice and Code of Ethics.

Application Process

The following section describes the CFT-I™ Candidacy process.

1. Education Stage (*Does not Require Approval as a CFT-I™ Candidate*)
 - a) All interested individuals submit payment for the education series associated with the CFT-I™ designation on the Financial Therapy Association's website.
 - b) Once payment is received, instructions will be provided via email on how to access the video series.
 - c) Interested individuals will complete the video series and self-study prior to submitting their application for candidacy, if they intend to pursue certification.
2. Initial Application
 - a) All prospective candidates submit payment through the Financial Therapy Association's website. Once this payment is received, an application will be sent to them via email.
 - b) All prospective candidates complete their CFT-I™ Candidate Application with the following information:
 - I Contact Information
 - II Employer Information
 - III Education History including official copies of transcripts
 - IV Professional Information
 1. Mental Health - License
 2. Financial - Form ADV Parts I and II or proof of NAPFA paid membership

- V Acceptance of the Practice Standards for all CFT-I™ Practitioners
- c) All complete applications are reviewed within 30 days by the Regulatory Committee. Prospective candidates are notified via email of their approval as a candidate or deficient areas to correct.
 - I If approved, candidates will be provided instructions to submit payment for the next phase of the candidacy process.
- 3. Exam Stage
 - a) Once candidates feel they are prepared to take the CFT-I™ Exam, they will submit payment for the exam on the Financial Therapy Association's website.
 - b) Once payment is received, candidates will receive instructions on how to register for and take the exam.
 - I The exam may be taken anytime once payment is received.
 - II The exam is timed to 2 hours and consists of three stages (Financial, Mental Health and Financial Therapy).
 - III The exam is delivered electronically and can be taken anywhere desired by the candidate.
 - c) The candidate is notified immediately of their successful or unsuccessful exam attempt.
 - I If successful, the candidate may move to the final stage of candidacy.
 - II If not successful, the candidate may retake the exam based on the CFT-I™ Exam Retake Policy
- 4. Final Review Stage
 - a) Candidates submit payment for final review on the Financial Therapy Association's website.
 - b) Once payment is received, candidates will receive instructions on how to submit their final review application, including the following information:
 - I Contact Information
 - II Practice Standards Agreement
 - III Experience Verification
 1. Part I - 500 contact hours (minimum 250 direct client service hours)
 2. Part II - Letter of Reference
 3. Part III - Candidate's Narrative for Certification

Special Review Process

Any prospective candidate who does not meet the initial education requirement to be considered a candidate may request a special review. The purpose of the special review is to assess whether the prospective candidate demonstrates the required minimum education through any means not listed in this handbook or the FTA Code of Ethics and Practice Standards.

Prospective candidates can request a special review in the initial application if they feel it is warranted. To support their request, prospective candidates are requested to submit a narrative explaining why they feel a special review is warranted, along with any and all supporting documentation. Special review requests are assigned to two special reviewers who will address the merits of the application and independently recommend or deny the prospective candidate's candidacy. If a mixed decision occurs, the Regulatory Committee Chair will address the application and be the deciding vote. Special reviews can take up to 60 days to be fully processed. All prospective candidates will be notified of the decision via email. The decision of all special review requests is final and no reimbursement of the initial application fee will be granted regardless of the outcome of the special review.

Maintaining Certification

Renewal Process

CFT-I™ Practitioners must renew their certification annually with the Financial Therapy Association. Renewal applications demonstrate that the practitioner wishes to continue as a CFT-I™ Practitioner.

The renewal fee, due annually on the date of initial certification, is as follows:

FTA Member	Non-FTA Member
\$25.00	\$100.00

CFT-I™ Renewal Requirements

To be considered for renewal, CFT-I™ Practitioners must meet the ongoing practice standards requirement and also demonstrate they have continued to maintain a level of competency through the submission of continuing education hours. The practice standard requirement is met through an annual renewal application that all CFT-I™ Practitioners must submit, reaffirming their commitment to the FTA Code of Ethics and Practice Standards. The continuing education hour requirement is met through a bi-annual renewal application that gives CFT-I™ Practitioners the opportunity to submit proof of continuing education hours accrued during that renewal period (2 years). This renewal application is sent to all practitioners via email approximately 30 days prior to the end of the renewal period.

Continuing Education Hours

Once certified, financial therapists must complete continuing education to maintain their certification. CFT-I™ Practitioners are required to complete a minimum of 20 continuing education hours every renewal cycle. The renewal cycle runs for two years beginning in January of the odd year. Hours can be submitted throughout the year and all practitioners are encouraged to submit their hours on a regular basis to ensure they satisfy the requirements. These hours must consist of the following:

Competency Area	Minimum Hour Requirement	Acceptable Sources
Financial Therapy	8 hours with a minimum of 2 hours in Financial Therapy Ethics 40%	FTA Conference, FTA Webinars
Finance	6 hours 30%	CFP Board, AFCPE
Mental Health	6 hours 30%	ACA, APA, AAMFT, NASW, AMHCA

Continuing education hour requirements are prorated based on when a CFT-I™ Practitioner received final approval. If a practitioner is approved in the first half of the year there is no proration of the hour requirement for that year. If they are approved in the second half of the year, their continuing education requirement will be prorated appropriately.

Below is an example of how hours will be prorated:

CFT-I™ Approval	CE Hour Requirement
1st half of the odd year (January to June)	No Proration (20 hours in the first renewal cycle)
2nd half of the odd year (July to December)	Prorated (15 hours in the first renewal cycle)
1st half of the even year (January to June)	Prorated (10 hours in the first renewal cycle)
2nd half of the even year (July to December)	Prorated (5 hours in the first renewal cycle)

Complaints and Disciplinary Actions

Disciplinary Process and Policies & Member/Certificant Responsibilities

The Financial Therapy Association (hereafter referred to as “FTA”) disciplinary process is governed by the FTA Standards of Practice and Code of Ethics. A Disciplinary Committee, comprised of Certified Financial Therapy™ (CFT™) professionals and other professionals, investigates allegations, determines violations, imposes sanctions, conducts disciplinary proceedings, and discloses violations. In the event an FTA member or certificant violates the FTA Standards of Practice and Code of Ethics, certification rules, practice standards, or other policies, the Disciplinary Committee may reprimand or suspend the individual or revoke certification.

Grounds for a Disciplinary Committee ruling include:

- Violation of the FTA Standards of Practice and Code of Ethics;
- Failure to meet annual continuing education requirements;
- Violation of the FTA rules, procedures, policies, or other requirements;
- Violation of an element within the FTA practice standards;
- Conviction of a crime that could impede the person’s ability to practice financial therapy;
- Failure to abide by any federal, state, or local laws or guidelines;
- Gross negligence;
- Willful misconduct;
- Personal or business bankruptcy;
- Violation of fiduciary standards;
- Unethical behavior in the practice of financial therapy;
- Disciplinary action taken by another professional association or organization;
- Falsification or misrepresentation in respect to FTA certification;
- Misrepresentation of professional education or certification;
- Falsification of any material information requested by the FTA; and/or
- Plagiarism or cheating in/on an FTA course, seminar, webinar, conference, exam or other FTA service.

Any member of the DC who has an interest in the matter or matters set forth in the complaint, beyond the member’s participation as such committee member, shall recuse him or herself and shall not participate in any aspect of the review, decision, hearing, or appeal of the matter. Any request for recusal by the complainant or the member or certificant shall be considered by the DC and determined within its sole discretion.

If the DC determines that the complaint and supporting documents initially fail to support a finding of the violation of any certification standard, the DC may dismiss the complaint and take no further action, except that it shall notify both the complainant and the member or certificant of its determination.

If the DC determines that the complaint and supporting documents potentially implicate a violation or violations of any certification standard, then the DC shall provide a copy of the complaint

together with a notice stating that (1) the DC intends to investigate the complaint, and (2) the member or certificant may respond in writing to the allegation or allegations contained in the complaint within 30 days of the date of the notice. The notice shall also state that if the member or certificant fails to respond as instructed, the DC may take action on the basis of the allegations in the complaint and may impose appropriate sanctions if warranted.

If the member or certificant does not respond to the complaint within the timeframe specified in the notice, the DC shall proceed to investigate the allegations contained in the complaint and may render a decision on disciplinary action at any time after the expiration of the time for the response.

If the member or certificant responds to the complaint within the timeframe specified in the notice, then the DC shall investigate the complaint and the response and shall render a decision on the basis of the written information received within 90 days of receipt of the initial complaint. The decision shall advise the member or certificant that he or she has a right to request a hearing before the DC within 30 days of the date of the decision if the member or certificant disagrees with the decision.

If a member or certificant requests a hearing before the DC within the timeframe specified in its decision, the DC shall hold such hearing at a time and date on which both the complainant and the member or certificant may participate contemporaneously by any means which permit all parties and the DC to hear and respond to each other. Such hearings may be held in person, via online video conferencing, telephone conference, or any other means that allows for contemporaneous participation, in the sole discretion of the DC.

The DC shall not require transcription or verbatim recording of the hearing, but upon the request of either the complainant or the member or certificant and at the requester's own expense, such hearing shall be recorded and made available to all parties after recording or transcription.

Formal evidentiary rules and trial procedures shall not apply to hearings before the DC. The DC may promulgate rules at its discretion governing any procedural aspect of the hearing, including, but not limited to, rules relating to the burden of proof, the presentation of evidence, the order of presentation, examination and cross-examination of witnesses, and the preparation of arguments at either the opening or the closing of the hearing. Any such rules shall be provided to the complainant and the member or certificant in advance of the hearing. The rules promulgated by the DC will not unreasonably limit any aspect of the hearing or the presentation of evidence and testimony by either the complainant or the member or certificant.

Neither the complainant or the member or certificant is required to have legal counsel present, but either party may be represented by counsel, and counsel is permitted to participate fully in the hearing, including making any opening or closing statements, presenting evidence and written arguments, and examining or cross-examining witnesses. The DC may have its counsel present, and such counsel may similarly participate fully in the hearing.

Following the conclusion of the hearing, the DC shall determine all matters related to the hearing and shall render a written decision which contains the decision or decisions reached by the DC, the reasons therefor, and the corresponding sanction or disciplinary action imposed by reason of the

decision of the DC. The decision shall be provided to the complainant and to the member or certificant. The decision shall advise the member or certificant of his or her right to appeal any adverse determination or objection to the sanction imposed, and shall provide that such appeal must be made in writing within 30 days of the date of the decision.

If the decision is favorable to the member or certificant, then no further action shall be taken by the DC with respect to the allegations contained in the complaint, and the DC shall consider the matter concluded. If the decision is unfavorable to the member or certificant, the member or certificant may appeal the decision in accordance with the instructions contained in the notice. The complainant shall have no appeal right following the decision of the DC, in the event that the decision is favorable to, or exonerates, the member or certificant.

Upon appeal by the member or certificant, the Appeals Committee (AC) shall review all of the pertinent materials related to the appeal, including the complaint, the testimony and evidence presented at any hearing before the DC, and the written decision of the DC, and shall determine whether the decision of the DC was arbitrary or capricious, or whether the DC abused its discretion. No other grounds for appeal shall be considered. The member or certificant shall not have the right to a de novo determination of the decision rendered by the DC, or the right to present additional evidence or testimony that was not presented during the pendency of the matter before the DC, except that he or she may submit a written argument in support of the appeal.

The AC shall render a decision on the appeal within 90 days of the date of receipt of the appeal. The decision shall be sent to the member or certificant. No further appeal of the decision of the AC shall be permitted.

Actions taken by the Disciplinary Committee do not constitute a legal action, although the Disciplinary Committee may be compelled to refer individual cases to appropriate legal authorities.

Complaints regarding the services or actions of an FTA member or certificant may be submitted by any individual, organization, or entity. Complaints shall be reported to the Disciplinary Committee Chairpersons¹:

Disciplinary Committee
admin@financialtherapyassociation.org

The complaint shall include the following information:

- Name of the person submitting the complaint
- Name of the person the complaint is regarding
- Detailed description of the allegation(s)
- Supporting documents

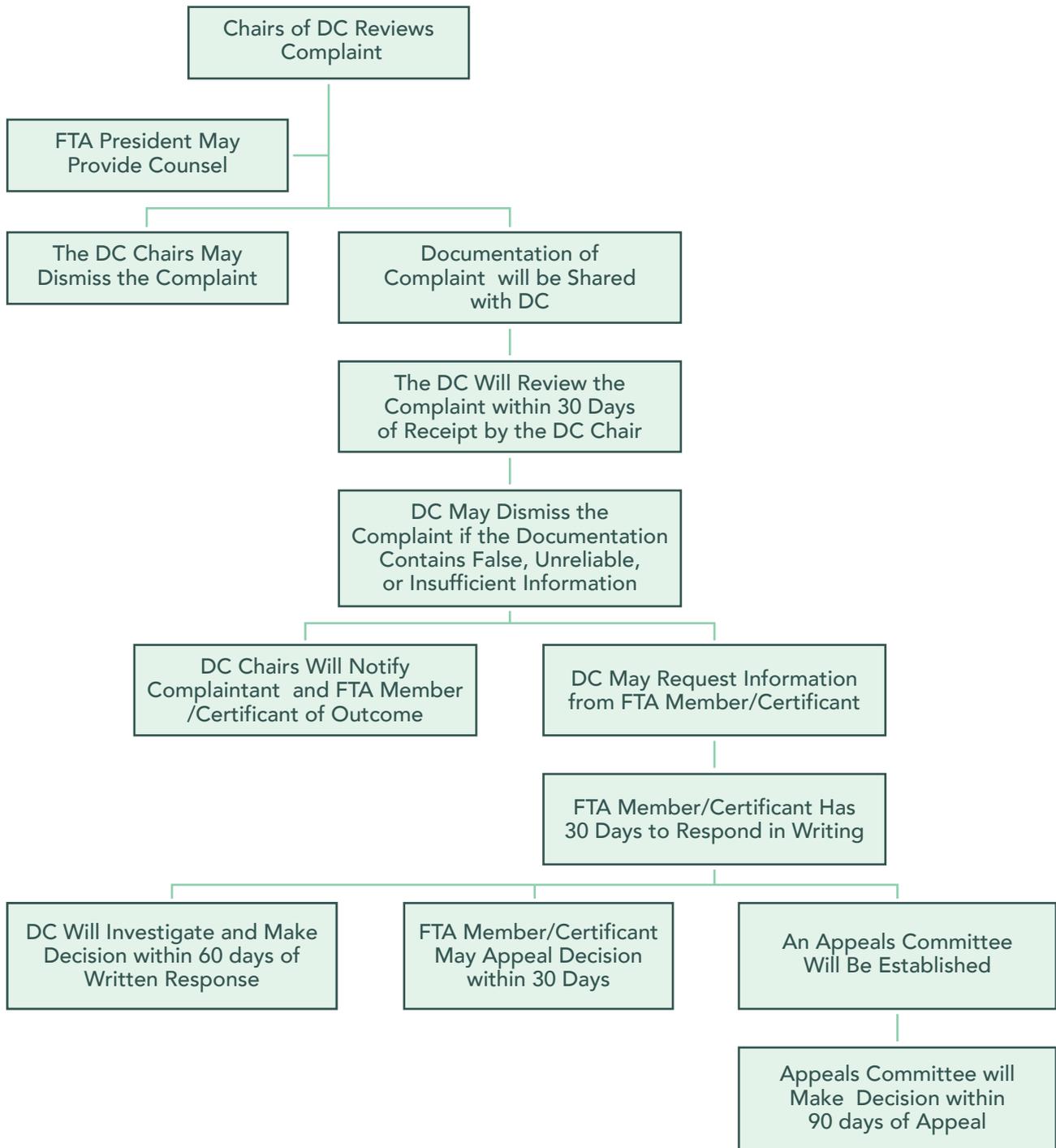
¹ *Disciplinary Committee Chairpersons will consist of two Regulatory Committee members, who serve as DC Chairs for a period of one year. In the event that no members are able to serve, the Regulatory Committee Chair(s) will serve for the duration of the service period.*

Information submitted during the complaint process is considered confidential. Individuals, organizations, and entities that bring a complaint of an FTA member or certificant to the Disciplinary Committee² are not entitled to financial relief or monetary damages. All information submitted to the Disciplinary Committee is kept for a minimum of 7 years from the date of resolution.

² *The Disciplinary Committee is comprised of five (5) FTA members, three of which must hold a valid CFT™ certification.*

Disciplinary Process

Figure 1 illustrates the Disciplinary Committee (DC) Process.³



³ The complaint may be dismissed by the DC Chairs or DC if the documentation contains false, unreliable, or insufficient information. The complaint may also be dismissed if it is determined the complaint is frivolous or inconsequential.

The DC and/or Appeals Committee⁴ may impose any or all the following sanctions:⁵

- Private written reprimand;
- Public written reprimand;
- Require additional continuing education activities;
- Suspension of membership for a set period of time;
- Suspension of certification for a set period of time;⁶
- Termination of FTA membership; and/or
- Termination of certification.^{7/8}

The DC and Appeals Committee decision(s) is(are) final and binding. The disciplinary process is not a public meeting. Legal counsel is not expected to participate in the disciplinary process; however, an FTA member/certificant may use the services of an attorney when preparing their initial and appeals documentation. The DC and Appeals Committee may request additional information from the FTA member/certificant at any time during the review process.

A FTA member or certificant may voluntarily surrender their membership or certification at any time during the disciplinary process. The complaint will be dismissed at that time; however, the person must wait five (5) years before petitioning for membership in the Financial Therapy Association. The application may be denied if the information in the complaint would have otherwise resulted in termination of the applicant's original membership.

⁴ The Appeals Committee is comprised of three (3) FTA members who hold a CFT™ certification. The DC Chairs serve as a non-voting member of the Appeals Committee.

⁵ The DC Chairpersons, DC members, and members of the Appeals Committee must recuse themselves in matters in which they or a family member or business associate have any interest or where such participation otherwise would involve a conflict of interest or the appearance of impropriety.

⁶ The DC may require a member and/or certificant to show the following before lifting a suspension: (1) evidence that the person has maintained competence as a financial therapist during the suspension period; (2) evidence that the person's conduct since the suspension has been beyond reproach; and (3) evidence that the person has made restitution or settled all claims to persons injured or harmed by his or her misconduct. The person may prove that they are fit to use the marks by demonstrating to the DC proper understanding of the FTA Code of Ethics and Practice Standards and their future plans about the CFT™ marks, or any other information the DC chooses to consider.

⁷ FTA members or certificants whose membership and/or certification is terminated may not join the Association in the future or use the financial therapy certification at any time, for any purpose.

⁸ The following two issues are grounds for immediate termination: (1) the person's behavior poses an immediate threat to the public, and (2) the gravity of the conduct significantly impinges upon the stature reputation of the Financial Therapy Association, its members, and the CFT™ marks.

FTA Member and Certificant Responsibilities

In order to remain in good standing with the Financial Therapy Association, members and certificants must:

- Confirm and document at renewal that they are practicing, at all times, using the fiduciary standard.
- Maintain continuing education with appropriate licensing and certification boards in the financial planning, financial counseling, and mental health fields.
- Obtain twenty (20) hours of continuing education biannually, of which one (2) hour must cover FTA Code of Ethics Rules and Procedures.
- CFT™ professionals may be audited at any time for compliance with continuing education rules; failure to comply with these rules is grounds for an immediate sanction, unless extenuating circumstances are identified by the RC.
- Those members who cite extenuating circumstances must provide detail regarding their circumstances and may be granted a grace period of 6 weeks to complete the necessary continuing education. A fine of \$50 will also be attached to those who are granted a grace period.
- Pay annual Association dues and appropriate certification fees, as determined by the FTA Board of Directors, in a timely manner.
- Comply with all published FTA Code of Ethics rules.
- Comply with all published FTA Standards of Practice.
- Address all DC Chairperson and DC requests in a timely manner.
- Agree to be randomly audited by the Association to document that the member and/or certificant is following all FTA codes, rules, procedures, and standards.
- Maintain the confidentiality of conversations and shared documents between and among the DC Chair, the DC, and the Appeals Committee.
- Use the CFT™ (I, II, and III) marks only as authorized by the Financial Therapy Association Board of Directors.
 - Level I: Certificants shall use ™ on the first occurrence of the CFT™ usage in materials that may be viewed by the public. Certificants may refer to themselves as a CFT-I™ professional, or CFT-I™ practitioner.
 - Level II: Certificants shall use ™ on the first occurrence of the CFT™ usage in materials that may be viewed by the public. Certificants may refer to themselves as a CFT-II™ professional, or CFT-II™ practitioner.
 - Level III: Certificants shall use ™ on the first occurrence of the CFT™ usage in materials that may be viewed by the public. Certificants may refer to themselves as a CFT-III™ professional, or CFT-III™ practitioner.
- Cooperate with the DC Chairpersons, DC, and Appeals Committee if asked to do so;
- Notify the Financial Therapy Association Board of Directors through the Association Director of changes in address and contact information within 60 days.
- Notify the Financial Therapy Association Board of Directors through the Association management team of any changes in the way a member or certificant practices financial therapy within 60 days.
- Notify the Financial Therapy Association Board of Directors and/or the Disciplinary Committee Chairperson in writing of any conviction of a crime, except misdemeanor offenses or

traffic ordinance violations (unless an offense involves the use of alcohol or drugs), or of any professional suspension or bar within thirty (30) calendar days after the date on which the member or certificant is notified of the conviction, suspension or bar.

- Not engage in conduct that reflects adversely on the integrity of other members of the Financial Therapy Association, the CFT™ marks, or on the profession of financial therapy.

Applicant & Practitioner Complaint Process

All CFT-I™ Applicants and Practitioners have the right and ability to voice complaints about any stage of the application process or practitioner requirements. All complaints and feedback for improvement will be taken seriously. Candidates and Practitioners are encouraged to submit this feedback directly to the FTA Board of Directors and the Regulatory Committee. Additionally, throughout the year the Financial Therapy Association will host candidate webinars to address any questions for prospective and current candidates. All candidates and practitioners are requested to maintain a civil and respectful tone when communicating with FTA staff, board members, other FTA members and prospective members and candidates.

Appendices

Appendix I - FTA Standards of Practice and Code of Ethics

The Board of Directors of the Financial Therapy Association (FTA) hereby publicizes the FTA Standards of Practice and Code of Ethics, effective August 31, 2017. This is meant to serve as a guide for those practicing financial therapy.

Section I: Responsibilities to Clients

1. "Client" Defined: An individual, couple, family, or group becomes the "client(s)" of a financial therapist when the client is engaged in the consent for services process and the financial therapist and client have both signed the consent for services and engagement agreement. A "client" is any person who has undergone an engagement process with the financial therapist and who has signed an informed consent for services document.
2. Nondiscrimination: Financial therapists must not discriminate against clients because of age, race, ethnicity, nationality, health status, ability status, religious affiliation, sex, sexual orientation, gender, relationship status, or socio-economic status.
3. Fiduciary Standard: Financial therapists are interdisciplinary professionals and, as such, must adhere to both the highest standard of care owed to clients by financial advisors, and the standard of care owed to clients by mental health professionals. Accordingly, within the framework of the therapeutic relationship, financial therapists who provide specific financial advice to clients must make recommendations that are in the client's best interests, and financial therapists must, in every circumstance, do no harm to their clients.
4. Consent for Services & Engagement Agreement: Financial therapists must inform clients in writing through a "consent for services and engagement document" the following information during the initial engagement session: their process of financial therapy, the nature of the relationship, and the services that clients can expect from them based on their level of credentialing and scope of practice as a CFT. Clients and financial therapists should both sign as an indication that consent is acknowledged. Client consent must be informed, and clients must be given the opportunity to ask questions and discuss the consent. When a person, due to age or mental status, is legally incapable of the informed consent process, financial therapists must obtain informed permission from a legally authorized person, if such a substitute is legally permissible. If a client is unable to read or interpret the document, financial therapists must provide reasonable accommodations to the client (for example, reading out loud, obtaining an interpreter, providing brail copies, etc.). If changes occur to the nature of the financial therapy process, the service offerings, or the FT's credentialing while providing financial therapy services, the client must be informed in writing.
5. Consent for Recording: Financial therapists must obtain written consent from all involved clients prior to recording any part of a financial therapy session through video or audio recording means.

6. **Consent for Observation:** Financial therapists must obtain a client's written consent prior to permitting any third-party or outside observation of their work. Third parties do not include other service providers within the same business/practice entity (e.g., paraplanner, co-therapist, co-counselor), but consent is needed for any other non-affiliate (e.g., non-hired interns, administrative staff).
7. **Initial Explanation of Fees:** Prior to engaging in the financial therapy process with clients, financial therapists must explain to clients through a written document, the nature of the financial therapist's fees and billing structure.
8. **Dual Relationships:** Financial therapists must be aware of their potentially influential position and therefore must make every effort to avoid dual relationships with clients that could impair their professional judgment or increase the risk of harm to clients. Financial therapists must avoid controlling financial elements of the client's life that may interfere with doing what is in the client's best interest. Financial therapists at all Certified Financial Therapist™ levels must always subscribe to the highest possible standard as defined by their specific licensure, certification, and accreditation regulatory authorities. If a dual relationship is not prevented by a separate regulatory authority, financial therapists must take appropriate steps to ensure that judgment is not impaired and that no exploitation occurs.
9. **Abuse of the Relationship:** Financial Therapists must act to avoid intentionally harming their clients, trainees, and research participants and to mitigate such harm should it occur. Financial Therapists must seek to safeguard the welfare and rights of those with whom they interact professionally, and other affected persons to the extent that they are able to do so.
10. **Sexual Relationships with Current and Former Clients:** Financial therapists must not engage in any type of sexual or romantic relationship with clients or former clients for a period of no less than 6 years. Financial therapists who engage in such relationship prior to six years following the end of the financial therapy process have the ultimate responsibility (burden of proof) to prove that such activities did not have exploitive emotional or financial consequences.
11. **Benefit of the Relationship:** Financial therapists must only continue services so long as the client is demonstrating a benefit from the relationship.
12. **Termination:** When necessary, financial therapists must assist in making appropriate recommendations for the continuation of services following termination of the financial therapy process.
13. **Clients Outside Scope of Practice:** Financial therapists must avoid entering or immediately terminate a service relationship if it is determined that the client is outside of their professional scope of practice, and as result, cannot properly assist the client. The FT must respectfully offer a more appropriate referral for the client in these circumstances.
14. **Protecting Clients in Group Settings:** When interacting in group settings, such as group courses, seminars, and group financial therapy, FT's must take steps to protect clients from trauma resulting from these interactions.

Section II: Confidentiality

1. **General Confidentiality:** Financial therapists must keep information related to their services with clients confidential unless disclosure is required for the welfare of the client/others, or is required by law. When disclosure is required, only information that is essential is revealed, and when possible, the client is informed of such a disclosure.
2. **Confidentiality for Financial Therapists with an Active Mental Health License:** Financial therapists who are licensed as mental health professionals may adhere to the standards of confidentiality required by their held license, which at times may be a higher standard than the "general confidentiality" standard above. Financial therapists with a higher standard of confidentiality must inform their clients of this in the consent for service document (see section I-B) and delineate the differences in their reporting mandates per applicable law.
3. **Confidentiality of Records:** Financial therapists must maintain appropriate confidentiality in creating, storing, accessing, transferring, and disposing of client records. Financial therapists must take caution and ensure that confidentiality is maintained when utilizing electronic records systems and electronic communication.
4. **Written Permission for Disclosure/Release of Information:** When information about clients is requested from any outside party or professional, or when a client requests the release of their information to an outside party or professional, all clients involved in the financial therapy process must provide written permission prior to disclosure/release of this information.
5. **Written Permission to Record or Observe:** Financial therapists must obtain written consent from clients to record sessions electronically (video/audio recording) or to allow session observation by others.
6. **Confidentiality Requirements for Staff/Associates:** Financial therapists must take measures to ensure that confidentiality of clients is maintained by staff and associates of the financial therapist or their practice.
7. **Confidentiality in Group Work Settings:** Financial therapists must clearly communicate to group members that confidentiality is expected, but cannot be guaranteed in group settings. Financial therapists must appropriately outline these expectations for all group members and protect individual group members' disclosures and confidences from others in the group unless written permission is obtained by the group member.
8. **Confidentiality in Couple and Family Work:** In the context for couple or family work, financial therapists must not disclose or reveal information about one family member during services to others in the client unit without prior written consent of that individual. If the financial therapist is working with individuals in a partnership separately, the financial therapist should keep separate files and documents for each person.
9. **Data Protection and Anonymity Requirements:** Financial therapists must maintain confidentiality in non-clinical activities and must protect the identity of their clients when using data for training, consulting, research, writing, or public presentation.

Section III: Professional Responsibility

1. **Scope of Practice:** Financial therapists must acknowledge their scope of practice with clients and must engage in practices only within the boundaries of their level of competence outlined by their certification, experience, and education. Scope of practice should be clearly documented and presented to clients in consent process.

2. Continuing Education: Financial therapists must engage in continuing education to maintain their professional competence.
3. Professional Impairments: Financial therapists must not offer their professional services when conflicts or personal problems may potentially cause harm to a client or others.
4. Seeking Assistance: Financial therapists must seek out assistance from a professional when issues arise that could potentially impair performance or judgement.
5. Accurate Advertising: Advertising of services must be accurately represented by financial therapists.
6. Use of the Financial Therapist designation in media: The Financial Therapy Association's forthcoming certification/designation must not be misrepresented by financial therapists in media, advertising, and marketing pursuits must not be misrepresented by financial therapists.
7. Misrepresentation: Financial therapists must claim and imply only the professional credentials they possess, and must also correct any known misrepresentations of their credentials by others.
8. Harassment: Financial therapists must not engage in sexual harassment or any other form harassment of clients, employees, students/trainees, supervisees, colleagues, or research subjects.
9. Unjustified Personal Gains: Financial therapists must not use their professional position to seek or receive unjustified personal gains, sexual favors, unfair advantage, or unearned goods or services.
10. Ineffective Employment Conditions: Financial therapists must inform their employers to policies or conditions that may be potentially disruptive or damaging to their professional responsibilities, may limit their effectiveness, and/or are not in the client's best interest.
11. Competence of Employees and Personnel: Financial therapists must only involve competent staff and must assign responsibilities compatible with staff skills and experience.
12. Exploitative Relationships: Financial therapists must not engage in exploitative relationships with clients, employees, students/trainees, supervisees, colleagues, or research subjects.

Section IV: Compensation/Fees

1. Fiduciary Standard: Financial therapists are interdisciplinary professionals and, as such, must adhere to both the highest standard of care owed to clients by financial advisors, and the standard of care owed to clients by mental health professionals. Accordingly, within the framework of the therapeutic relationship, financial therapists who provide specific financial advice to clients must make recommendations that are in the client's best interests, and financial therapists must, in every circumstance, do no harm to their clients.

2. **Compensation/Fee Disclosure:** Financial therapists must clearly disclose to clients their fees for service and billing structure as a part of the client engagement and consent for services process in the initial financial therapy meeting/session. Once services have begun, financial therapists must provide reasonable notice to clients regarding any changes in fees or service-related charges. Financial therapists must present add-on services up front.
3. **Acceptable Fee Structures:** Financial therapists must only charge for services in one of the following manners as outlined by the Financial Therapy Association: hourly rate, monthly retainer, or assets under management.
4. **Product Sales:** Financial therapists must not sell to clients or recommend financial products from which they receive additional compensation or other direct or indirect payments.
5. **Financial Integrity:** Financial therapists must not offer or accept kickbacks, rebates, bonuses, or other remuneration for referrals. Fee-for-service arrangements are not prohibited.
6. **Gifts:** Financial therapists must consider the potential effects that receiving or giving gifts may have on clients and on the integrity and efficacy of the relationship. Financial therapists should also consider cultural norms when making decisions about accepting gifts from or giving gifts to clients.
7. **Payment Recovery Procedures:** Financial therapists must give reasonable notice to clients with unpaid balances of their intention to seek collection by agency or legal recourse. When such action is taken, financial therapists will not disclose case information pertaining to the client.

Section V: Evaluation and Assessment

1. **Limits of Competence in Evaluation:** Financial therapists must perform only testing and assessments for which they are trained in and competent. Financial therapists must also not allow the use of therapeutic evaluation and assessment techniques by unqualified persons under their supervision.
2. **Appropriate Use of Assessment Instruments:** Financial therapists must use assessment instruments in the manner for which they were intended.
3. **Explanation of Assessments and Evaluations:** Financial therapists must provide explanations to clients about both therapeutic evaluation tools and financial analyses prior to implementation. Explanations should include the nature of and purpose of the evaluation or analyses.
4. **Sharing of Assessment Results:** Financial therapists must ensure that accurate and appropriate interpretations accompany any release of assessment information. Financial therapists must have a client's written consent to release assessment and analyses to outside professionals or parties using a Release of Information document that is kept in the client's file.

Section VI: Responsibilities in Teaching, Training, and Supervision

1. Sexual Relationships with Students/Supervisees: Financial therapists must not engage in sexual relationships with their students and supervisees.
2. Services for Students/Supervisees: Financial therapists must not provide financial therapy services of any kind to current students/supervisees.
3. Confidentiality with Students/Supervisees: Financial therapists do not disclose supervisee confidences except by written authorization or waiver, or when mandated or permitted by law. In educational or training settings where there are multiple supervisors, disclosures are permitted only to other professional colleagues, administrators, or employers who share responsibility for training of the student or supervisee. Verbal authorization will not be sufficient except in emergency situations, unless prohibited by law.
4. Credit for Contributions to Research: Financial therapists must give credit to students or supervisees for their contributions to research and scholarly work.
5. Supervision of Others: Financial therapists who mentor or who offer supervision services in financial therapy must be trained and prepared in supervision methods and techniques.
6. Oversight of Student/Supervisee Competence: Financial therapists do not permit students or supervisees to perform or to hold themselves out as competent to perform any services beyond their training, level of experience, and competence.
7. Evaluation of Students/Supervisees: Financial therapists must clearly state to students and supervisees in advance of supervision/training the levels of competency expected, methods of evaluation of their work, as well as timing of any evaluations.
8. Feedback: Financial therapists must provide students and supervisees with periodic performance evaluations and feedback throughout the education or training program.
9. Limitations of Students and Supervisees: Supervisors must assist students and supervisees in securing remedial assistance when needed and must recommend dismissal from the training program for students and supervisees who are unable to provide competent service due to academic or personal limitations.
10. Self-Growth Experiences: Counselors who conduct experiences for students or supervisees that include self-growth or self-disclosure must inform participants of the supervisor's ethical obligations to the student and must not grade participants based on conduct during such experiences.
11. Standards for Students and Supervisees: Non-credentialed students and supervisees preparing to become financial therapists must act with adherence to the Code of Ethics and the Standards of Practice outlined by FTA for financial therapists.

Section VII: Research and Publication

1. Approval by the Institution: When institutional approval is required, financial therapists must submit accurate information about their research and obtain appropriate approval prior to conducting the research.
2. Plagiarism: Financial therapists who are the authors of books or other materials that are published or distributed must not plagiarize or fail to cite persons to whom credit for original ideas or work is due.

3. Precautions to Avoid Injury in Research: Financial therapists must avoid causing physical, social, or psychological harm or injury to subjects in research.
4. Confidentiality of Research Information: Financial therapists must keep information obtained about research participants confidential.
5. Research Integrity: Financial therapists must not distort or misrepresent research data, nor fabricate or intentionally bias research results.
6. Publication Contributors: Financial therapists must give appropriate credit to all those who have contributed to research projects.

Section VIII: Technology

Many professionals engage in service delivery with the assistance of technology and an increasing number of different technological platforms. While there are benefits to this, there are also responsibilities involved with their use. Standard VIII addresses the basic ethical requirements of offering financial therapy, supervision, and related professional services using technological and electronic means.

1. Financial Therapy Services Utilizing Technology: Prior to beginning any services through technological or electronic means (including, but not limited, to phone and Internet), financial therapists must ensure that they are compliant with all relevant laws for the delivery of such services. Additionally, financial therapists must take additional steps to: (a) determine that technologically-assisted services or supervision are appropriate for clients or supervisees; (b) communicate the potential risks and benefits associated with technologically-assisted services; (c) confirm the security of their communication medium and that the medium maintains confidentiality standards; and (d) only practice the delivery of technologically-assisted services after appropriate education, training, or supervised experience using the relevant technology.
2. Consent to Technology Services & Disclosure of Risks: Financial therapists must address the potential risks of technology services to both clients and supervisees in writing via a "consent for technology-assisted financial therapy services". In addition, financial therapists must advise clients and supervisees in this consent of client-related responsibilities in engaging with technology services and how to minimize risks of services provided via technology.
3. Professional Responsibilities Related to Technology Services: Financial therapists must take responsibility for selecting technological programs and platforms that align with best practices standards related to confidentiality. Clients and supervisees are to be made aware in writing of the limitations and protections via their consent document about the limitations of these programs and platforms.
4. Electronic Documentation: Financial therapists must be sure that all documentation and correspondence containing identifying or otherwise sensitive information which is stored and/or transferred electronically is done so using technology that adhere to standards of best practices related to confidentiality and professional responsibility. Financial therapists must provide information via the consent involving the limitations and protections offered by the technology programs and platforms.

5. **Competence with Technology:** Financial therapists must ensure that they are trained and competent in the use of all offered technology service platforms and programs. Misuses and/or issues that arise with the use of technology are the responsibility of the financial therapist. Technology chosen must also be up to date, secure, and advanced enough to best serve the needs of financial therapy clients and supervisees.

Section IX: Resolving Ethical Issues

1. **Ethical Behavior Expectation:** Financial therapists must take appropriate action when they possess reasonable cause that raises doubts as to whether other financial therapy professionals are acting in an unethical manner. It is the responsibility of a financial therapist to report suspected unethical practices or behaviors by another financial therapist.
2. **Unwarranted Complaints:** Financial therapists must not initiate, participate in, or encourage the filing of ethical complaints that are unwarranted or intended to harm a financial therapy professional rather than to protect clients or the public.
3. **Cooperation with the Financial Therapy Association:** Financial therapists must cooperate with any investigations, proceedings, and requirements of the FTA concerning an ethical violation.

References

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Appendix II - CFT-I™ Competency Training Outline

Financial Competency Areas (30%)

- A. The Fundamentals of Economics (5%)**
 - a) Supply and Demand
 - b) Fiscal Policy
 - c) Monetary Policy
 - d) Economic Indicators
 - e) Business Cycles
 - f) Inflation and Deflation
 - g) Yield Curve
- B. The Basics of Behavioral Economics (10%)**
 - 1. Client Evaluation**
 - a) Money Attitude Assessment
 - b) Financial Knowledge
 - c) Economic Expectations
 - d) Outcome Expectations
 - e) Financial Risk Tolerance Assessment
 - f) Wealth Accumulator Task Assessment
 - g) Time Horizon
 - 2. Client Assessments**
 - a) Financial Behaviors
 - b) Cognitive Biases
 - c) Behavior under risk
- C. The Fundamentals of Financial Planning & Counseling (15%)**
 - 1. The Process of Financial Planning**
 - 2. Time Value of Money & Computations**
 - a) Present Value
 - b) Future Value
 - c) Present and Future of Annuities
 - d) Geometric Varying Annuity
 - e) Net Present Value
 - f) Internal Rate of Return
 - g) Loan Payments – (i.e., amortization schedule)
 - h) Holding Period Returns
 - i) Average Returns
 - j) Real and Nominal Rates of Return
 - k) Tax Equivalent Rates of Return

D. Money Management I: Cash Flow and Net Worth Planning (15%)

1. Budget Development
2. Income and Expense (Cash Flow) Statement Development
3. Balance Sheet Development
4. Financial Ratios
 - a) Current Ratio
 - b) Emergency Fund Ratio
 - c) Savings Ratio
 - d) Debt Ratio
 - e) Debt-to-Income Ratio
 - f) Credit Usage Ratio
 - g) Front-end Mortgage Ratio
 - h) Back-end Mortgage Ratio
 - i) Sources of Emergency Funds

E. Money Management II: Credit and Debt Management (10%)

1. Credit Management
 - a) Credit Reports
 - b) Credit Scores
 - c) Checking Accounts and Debit Cards
 - d) Credit Cards
 - a) Types
 - I Visa
 - II MasterCard
 - III Discover
 - IV Travel and Entertainment (American Express)
 - V Affinity
 - VI Rewards
 - e) Credit Card Statements
 - a) Minimum balance
 - b) Monthly payment
 - c) Interest rates
 - d) Penalty
 - e) How companies calculate fees
 - f) Payday and Title Loans
 - g) Personal Loans
 - a) Auto
 - I Leasing versus purchasing
 - h) Home Loans
 - a) Renting versus purchasing
 - b) PMI
 - c) Title insurance
 - d) Adjustable/Fixed rates
 - e) Closing documents
 - f) Type of home valuation
 - g) Property taxes

- h) Mortgage terms
- i) Decision to refinance
- j) HELOC (home equity line of credit)
- k) FHA and VA loans
- l) Reverse mortgages

F. Identity Theft and Consumer Protections (5%)

1. Consumer Protection

- a) Securities Act of 1933
- b) Securities and Exchange Act of 1934
- c) Investment Company Act of 1940
- d) Investment Advisers Act of 1940
- e) Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010
- f) Department of Labor and ERISA
- g) Bankruptcy Law
 - a) Chapter 7
 - b) Chapter 11
 - c) Chapter 13
- h) Sales Transaction Laws
- i) Privacy Laws
- j) Consumer Credit Laws
- k) Housing Laws

2. Identity Theft

- a) General personal protections in the digital age
- b) Reduction of risk of being a victim of identity theft
- c) What to do if your identity is stolen
- d) What's necessary in identity theft protection?

G. Basic Financial Analysis I (20%)

1. Tax Analysis

- a) Earned Income Sources
- b) Fringe Benefits Sources
- c) Imputed Income (e.g., Section 79)
- d) Unearned Income Sources
 - a) Dividends
 - b) Interest
 - c) Capital Gains
- e) Tax-Free Income Sources
- f) Capital Gains
 - a) Tax Basis
 - b) Short- and Long-Term Gains
- g) Basic Form 1040 Tax Calculation
 - a) AGI
 - b) Modified AGI
 - c) Tax Credits
 - d) Tax Calculation

- h) Alternative Minimum Tax Triggers
- i) IRS Dispute Options
- j) Difference between overall and marginal rates
- 2. Insurance Analysis
 - a) Terminology
 - I Risk Retention
 - II Risk Transfer
 - III Premium
 - IV Deductible
 - V Co-payment
 - VI Co-insurance
 - b) Life Insurance Underwriting Requirements
 - c) Tax Benefits of Insurance
 - d) Life Insurance Needs Estimates
 - I What is triggering the need for life insurance?
 - II Knowing an estimate of what is needed
 - a) Human Life Value Approach
 - b) Capital Retention Approach
 - c) Income Retention Approach
 - e) Types of Life Insurance
 - I Term
 - II Return of Premium Term
 - III Whole
 - IV Universal
 - V Variable
 - VI VUL
 - f) Life Insurance compensation structures (commissions)
 - g) Parties (and Responsibilities) to a Life Insurance Contract
 - I Owner
 - II Beneficiary
 - III Insurance
 - h) Life Insurance Valuation
 - I Yearly Price per Thousand Formula
 - i) Types of Annuities
 - I Fixed
 - II Variable
 - III Immediate
 - IV Deferred
 - j) Types of Health Insurance
 - I Traditional Indemnity
 - II Preferred Provider Organization
 - III Point of Service
 - IV Health Maintenance Organization
 - V High Deductible
 - VI Flexible Spending Account
 - VII Marketplace/State Exchanges Navigation

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- k) Triggers and Probabilities of Disability
 - l) Workers Compensation
 - m) Disability Definitions
 - I Elimination Period
 - II Benefit Period
 - III Qualification Period
 - IV Residual Benefit Rider
 - V Cost of Living Adjustment
 - VI Waiver of Premium
 - n) Disability Insurance Definitions
 - I Any
 - II Own
 - III Modified Own
 - IV Split Definition
 - o) Social security/disability
 - p) Disability Insurance Need Estimate
 - q) Triggers of Long Term Care Need (Eating, Toileting, Transferring, Bathing, Dressing, Continence)
 - r) Long Term Care Coverage Options
 - s) Sources of Long Term Care Expenses
 - t) Long Term Care Insurance Estimate
 - u) Purpose and Use of Property and Casualty Insurance
 - I Attractive Nuisance
 - II Indemnity
 - III Endorsements and Riders
 - IV Insurance Scores
 - v) Personal Automobile Policies
 - I Guaranteed Auto Protection Coverage
 - II No Fault
 - III Split Limit Coverage
 - IV Liability Coverage
 - V Comprehensive Coverage
 - w) Homeowner's Insurance
 - I Personal Liability Coverage
 - II Excess Liability Coverage
 - III Flood Insurance & FEMA
 - IV Earthquake Insurance
 - V Personal Articles Coverage
 - VI Identity Theft
 - VII 80% Rule
 - VIII Inflation Endorsement
 - x) Asset Protection (Insurance Alternatives)
 - I Corporation
 - II S Corporation
 - III LLC
 - IV Partnership
 - V Trusts

1. Revocable (living)
2. Irrevocable
3. Special needs
4. Spendthrift
5. DAPT (domestic asset protection trust)

H. Basic Financial Analysis II (20%)

1. Investment Analysis

- a) Types of Risk
 - a) Systematic
 - b) Unsystematic
- b) Brokerage Accounts
 - a) SIPC Insurance
- c) Types of Diversification
- d) Asset Types
 - a) Cash and Cash Equivalents
 - b) Banks and Credit Unions
 - I FDIC
 - II NCUA
 - c) Savings Bonds
 - d) Equities
 - e) Real Estate
 - f) Bonds
 - g) Commodities
 - h) Alternatives and Collectibles
 - i) Mutual Funds and Exchange Traded Funds
 - I Securities ratings (Morningstar)
- e) Sources of Investment Income
 - a) Capital Gains
 - b) Interest
 - c) Dividends
- f) Modern Portfolio Theory
 - a) Asset Allocation Principles
 - b) CAPM
 - c) Standard Deviation
 - d) Beta
 - e) Alpha
 - f) Sharpe and Treynor Ratios

2. Education Analysis

- a) Educational Cost Estimates
- b) Financial Aid
 - a) FAFSA
 - b) Stafford Loans
 - c) Parent Loans for Undergraduate Students
 - d) Federal versus private loans
 - e) Grants
- c) Student Debt Repayment Plans

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- 3. Retirement Analysis**
 - a) Retirement Needs Estimates**
 - a) Capital Depletion**
 - b) Capital Preservation**
 - b) Retirement Plans**
 - a) 401(k)**
 - b) 403(b)**
 - c) 457**
 - d) Profit Sharing**
 - e) ESOP**
 - f) Defined Benefit**
 - g) Governmental Thrift and Sharing**
 - h) IRA**
 - i) Roth IRA**
 - j) Roth 401(k) and Roth 403(b)**
 - k) SIMPLE IRA and 401(k)**
 - c) Rules**
 - a) Required Minimum Distributions**
 - b) Tax Ramifications**
 - c) Penalties**
 - d) Deferral Limits**
 - d) Social Security**
 - a) Monthly Benefit Calculator**
 - b) Disability Benefits**
 - c) Death Benefit**
 - d) Medicare**
 - e) Military Benefits**
 - a) Tricare**
 - b) GI benefits**
 - c) Family benefits**
 - d) Housing benefits**
 - f) Distribution Alternatives**
 - a) Annuities**
 - b) "4% Rule"**
 - 4. Estate Analysis**
 - a) Probate**
 - b) Sources of Estate Liquidity**
 - c) Types of Property Ownership**
 - I Tenancy in Common**
 - II Joint Tenancy with Right of Survivorship**
 - III Tenancy by the Entirety**
 - IV Community Property**
 - V POD and TOD**
 - d) Assets Included in a Gross Estate**
 - e) Common Estate Deductions**
 - f) Qualified Domestic Relations Orders**

- g) Wills, Codicils, and Letters of Last Instruction
- h) Powers of Attorney
- i) Living Wills and Advanced Medical Directives
- j) Basic Trusts
 - I Living (Revocable) Trust
 - II A-B Trust
 - III Life Insurance
 - IV Qualified Personal Residence Trust
- k) Charitable Giving
 - I Tax Implications
 - II Charitable Trusts
 - 1. Pooled Income Fund
 - 2. CRAT and CRUT
 - 3. Donor Advised Fund
 - III Personal Giving
 - 1. Tax Implications
 - 2. UGMA and UTMA

Therapeutic Competency Areas (30%)

I. The Fundamentals of Therapy (10%)

1. Significance
2. Purpose
 - a) Distress
 - b) Support
 - c) Coping
 - d) Self-Exploration
 - e) Relational Dynamics
3. Individual, Couple, and Family Therapy
4. Systems Theory
 - a) Holistic
 - b) Interdependent Perspective

J. Theories and Models of Therapeutic Intervention I (10%)

1. Theory/Stages of Change
 - a) First and second-order change
 - b) Trans-theoretical model of change
 - c) Financial development (informed by human development theory)
 - a) Financial socialization, age appropriate financial development/milestones
 - d) Pre-contemplation, Contemplation, Preparation, Action, Maintenance, Relapse
2. Models/Stages of Change
 - a) General Order
 - a) Description of the phases of typical therapy work (beginning, middle, end)

- b) Rapport building and establishing trust or building a therapeutic alliance
- c) General assessment (formal, informal – structured, unstructured)
- d) Case formulation/conceptualization
- e) Goals and “treatment” planning
- f) Maintenance
- g) Termination

K. Theories and Models of Therapeutic Intervention II (15%)

1. Therapeutic Models & Intervention

- a) List of models
 - a) Cognitive-behavioral
 - b) Solution-focused
 - c) Narrative
 - d) Experiential/Gestalt
 - e) Strategic
 - f) Neo-Freudian Psychodynamic
 - g) Emotionally Focused Therapy (Gottman and Johnson)
 - h) Imago Therapy (Harville Hendrix)
 - i) Motivational Interviewing

2. Systems Theory

- a) Assumptions
 - a) The whole is greater than the sum of its parts
 - b) Process vs. content
 - c) Power dynamics
- b) Keywords
 - a) Negative and positive feedback loops
 - b) Structure/hierarchy
 - c) Boundaries
 - d) Family of origin/genogram
 - e) Generational transmission of schemas/values/skills
 - f) Circular Causality

3. Psychodynamic Theory/Basic Freudian Theory

- a) Assumptions
 - a) Understand the unconscious
 - b) Importance of the basic drives of sex and aggression
 - c) Role of therapist as “blank screen” and the importance of dreams, free association and interpretation as ways of gaining insight to be able to love and work to maximum capacity
 - d) Understand the historical importance of Freud’s discoveries about how the human mind works
- b) Keywords
- c) Shared assumptions with other base theories
- d) Neo-Freudian theories
 - a) Fairbairn (Object Relations Theory)
 - b) Winnicott (Object Relations Theory)

- c) Kohut (Self-psychology Theory)
 - d) Ainsworth (Attachment Theory)
 - e) Based more on the importance of relationship and attachment
 - f) Less authoritarian and more interpersonal and interactive
 - g) Curative is the relationship and the working through of childhood issues and beliefs with a supportive and empathic therapist.
- 4. Cognitive Behavioral Theory
 - a) Assumptions
 - a) Model: Activating Event → Schemas → Thoughts → Behavior/Emotions → Outcome.
 - b) Cognitions affect and cause behavior (cognitions are not only involved in the behavioral process but necessary to it).
 - c) Cognitions can be measured, monitored, and altered.
 - d) As cognitions change, behavior may change.
 - b) Keywords
 - Shared assumptions with other base theories
- 5. Positive Psychology
 - a) Assumptions
 - b) Keywords
 - c) Shared assumptions with other base theories
- L. Communication & General Counseling Skills I (15%)
 - 1. Audible
 - a) Attending
 - b) Active listening
 - c) Mirroring or matching
 - d) Pacing
 - e) Summarizing
 - f) Restating/rephrasing
 - g) Reflecting
 - h) Paraphrasing
 - i) Reframing
 - j) Interpreting
 - k) Self-disclosure
 - l) Genuineness
 - m) Noticing
 - n) Complimenting and appreciation
 - o) Affirming
 - p) Empathizing
 - q) Normalizing
 - r) Open-ended questions
 - s) Challenging or confronting
 - t) Providing feedback
 - u) Checking in
 - v) Non-judgmental stance (unconditional positive regard)
 - w) Development of the working alliance/rapport

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- 2. Physical
 - a) Body language
 - b) Non-verbal
 - c) Facial expression
 - d) Posture
 - e) Eye contact
 - f) Nodding head
 - g) Seating position
 - h) Unconscious mannerisms
 - 3. Other Considerations
 - a) Pacing
 - b) Timing
 - c) Physical space and environment
 - d) Affect and emotional climate of room
- M. General Counseling Skills II (15%)**
- 1. Therapeutic Alliance
 - a) Cohesiveness in direction/outcomes of therapy
 - b) Trust in expertise and knowledge
 - c) Maintenance of the therapeutic relationship
 - d) Therapeutic relationship sequence of rupture and repair
- N. Knowledge of Mental Health Diagnoses (10%)**
- a) Diagnosis Process
 - b) Impact of Diagnosis
 - c) Tools for Diagnosis
 - d) Common Mental Health Diagnoses
 - e) The role of the CFT-I™ in diagnosis
- O. Culture and Diversity (10%)**
- 1. Social Justice
 - a) Knowledge of oppression/stigmas
 - b) Low-income/marginalized/economically-disadvantaged populations
 - c) Eastern/Mindfulness influences
 - 2. Advocacy
 - a) Promotion of Diversity

Financial Therapy Competency Areas (40%)

- P. Self of the Financial Therapist (20%)**
- 1. Definition
 - 2. Importance of one's own money work
 - 3. Transference/Countertransference
 - 4. Elements that can impact the work of a financial therapist
 - a) E.g., biases, personality traits, personal experiences, money beliefs
 - 5. Importance of support and continuing education
 - 6. Defining self-care
 - 7. Relevant self-care strategies for financial therapists and for financial therapy clients

Q. Research Evaluation (10%)

1. Quantitative and qualitative research
2. Identify sources of research data
3. Core statistical skills for interpreting empirical financial therapy studies
4. Key elements of an empirical research article
 - a) E.g., purpose, theoretical framework, participants/sample, results
5. Sound methodology
6. Evaluation of results and outcomes
7. Recognizing research bias
8. Areas of caution with research evaluation

R. Money and Relationships (40%)

1. Systems theory: An important lens for conceptualizing money dynamics
 - a) Key concepts of General Systems theory
 - b) Cybernetics
 - c) Key concepts of family systems
2. Relational money dynamics in financial therapy
3. Additional theoretical lenses for money dynamics & financial therapy
 - a) E.g., Systemic financial therapy; Solution-focused financial therapy
4. Framing money patterns in individuals, couples, and families
 - a) E.g., financial socialization; money scripts; money personalities; money
 - b) genograms
5. Special Topics in financial therapy
 - a) E.g., intergenerational wealth transmission; financial enmeshment; money conflict; relationship dissolution and divorce; financial infidelity; relational and financial abuse; financial trauma; addiction

S. Standards of Practice and Ethical Considerations (20%)

1. FTA Standards of Practice and Code of Ethics
2. CFT-I™ Scope of Practice
 - a) "Scope of practice" defined
 - b) Applicable licensure (state-specific) and federal regulatory laws for CFT-I™ practitioners
 - c) Knowledge of complementary disciplines to financial therapy
 - d) Collaborative models of financial therapy
 - a) Relational financial therapy
 - b) Narrative financial therapy
 - c) Conjoint financial therapy
 - e) The referral process
3. Fiduciary Standard
 - a) Definition
 - b) Identifying and disclosing conflict of interest
 - c) Suitability standard vs. Fiduciary standard
4. Informed Consent
5. Red Flag Issues
 - a) Disclosure responsibilities
 - b) Personal/professional boundaries

- a) Awareness of potential power dynamics and the impact on practitioner/client relationship
- c) Child/elder abuse and neglect, suicide, homicide, intimate partner violence
- d) Mental illness
- e) Relational and/or financial infidelity
- f) Financial abuse
- g) Trauma

Appendix III - CFT-I™ Resource Guide

Instructions for use:

The following represents a comprehensive, but not exhaustive, list of resources that can be used as you prepare to take the CFT-ITM Exam. The resources are organized by the three primary educational areas of CFT-I™ certification: 1) Financial Planning; 2) Mental Health; and 3) Financial Therapy. Following each list of resources is a coverage map, aimed to help connect you to resources that address particular knowledge areas.

Candidates for the CFT-I™ should select a combination of resources for self study that they feel appropriate for them based on their background and familiarity with the respective competency areas. Additional resources outside of this guide may be used by the CFT-I™ Candidate in their self-study program.

Financial Competency Resources

A variety of college-level Personal Finance and Financial Planning textbooks provide material that is appropriate for someone studying for the CFT-ITM Exam. The following list includes a sample of some of the most widely used books:

- Personal Finance: Turning Money into Wealth, Keown, Prentice Hall
 - ISBN-13: 978-0-132719-16-2
- Personal Finance, Kapoor, Dablay & Hughes, McGraw-Hill
 - ISBN-13: 978-0-077861-64-3
- Personal Finance, Garman & Forgue, Cengage
 - ISBN-13: 978-1-133595-83-0
- Personal Finance, Madura, Pearson
 - ISBN-13: 978-0-134082-56-1
- Personal Finance, Bajtelsmit, Wiley
 - ISBN-13: 978-0-471723-56-1
- Introduction to Personal Finance: Beginning Your Financial Journey, Grable & Palmer, Wiley
 - ISBN-13: 978-1-119453-05-5
- Fundamentals of Financial Planning, 5th Edition, Dalton et. Al, Money Education
 - ISBN-13: 978-1-936602-41-4
- The Tools & Techniques of Financial Planning, 12th Edition, Jackson, Satinsky & Leimberg, National Underwriter
 - ISBN-13: 978-0-872189-89-8
- The Fundamentals of Writing a Financial Plan, 1st Edition, Grable, Kruger & Ford
 - ISBN-13: 978-1-949506-36-5

- The Comprehensive Financial Planning Bundle: The Case Approach and the Process, 2nd Edition, Lytton, Grable & Klock, National Underwriter
 - ISBN-13: 978-1-945424-27-4
- Federal Trade Commission – website on Identify Theft
 - ftc.gov/idtheft
- Consumer Financial Protection Bureau – Consumer Tools on website
 - consumerfinance.gov

	A	B	C	D	E	F	G	H
Personal Finance: Turning Money into Wealth	X			X	X	X	X	
Personal Finance, Kapoor	X			X	X	X	X	
Personal Finance, Garman & Forgue	X			X	X	X	X	
Personal Finance, Madura	X			X	X	X	X	
Personal Finance, Bajtelsmit	X			X	X	X	X	
Introduction to Personal Finance: Beginning Your Financial Journey	X			X	X	X	X	X
Fundamentals of Financial Planning	X	X	X	X	X	X	X	X
The Tools & Techniques of Financial Planning	X	X	X	X	X	X	X	X
The Fundamentals of Writing a Financial Plan	X	X	X	X	X	X	X	X
The Comprehensive Financial Planning Bundle: The Case Approach and the Process	X	X	X	X	X	X	X	X
Federal Trade Commission - website on Identify Theft				X		X		
Consumer Financial Protection Bureau						X		

Financial Competency Areas & Weightings (30% of Comprehensive Exam)

- A.** Fundamentals of Economics (5%)
- B.** Basics of Behavioral Economics (10%)
- C.** Fundamentals of Financial Planning & Counseling (15%)
- D.** Money Management I (15%)
- E.** Money Management II (10%)
- F.** Identity Theft and Consumer Protection (5%)
- G.** Basic Financial Analysis I (20%)
- H.** Basic Financial Analysis II (20%)

Therapeutic Competency Resources

A variety of college-level Psychology, Communication, Therapy, and Financial Therapy textbooks provide material that is appropriate for someone studying for the CFT-ITM Exam. The following list includes a sample of some of the most widely used books. Candidates for the CFT-ITM will also find articles in the Journal of Financial Therapy useful as they prepare for the CFT-ITM Exam.

- Financial Counseling: A Strategic Approach, 3rd Edition, Pulvino, Instructional Enterprises
 - ISBN-13: 978-0-615352-09-1
- Financial Therapy, Theory, Research, and Practice, Klontz, et al., Springer
 - ISBN-13: 978-3-319-34411-9
- Facilitating Financial Health, 2nd Edition, Klontz & Kahler, National Underwriter
 - ISBN-13: 978-1-941627-87-7
- Communication Essentials, Grable & Goetz, Wiley
 - ISBN-13: 978-1-119350-78-1
- Client Psychology, Chaffin, Wiley
 - ISBN-13: 978-1-119436-26-5
- Mastering Competencies in Family Therapy, Gehart, Cengage
 - ISBN-13: 978-1-305943-27-8
- Family Therapy: Concepts and Methods, 11th Edition, Nichols & Davis, Pearson
 - ISBN-13: 978-0-133826-60-9

	I	J	K	L	M	N	O
Financial Counseling: A Strategic Approach				X			
Financial Therapy: Theory, Research, and Practice						X	
Facilitating Financial Health		X	X			X	
Communication Essentials				X	X		
Client Psychology					X		X
Mastering Competencies in Family Therapy	X	X	X	X	X		X
Family Therapy: Concepts and Methods	X	X	X				

Therapeutic Competency Areas & Weightings (30% of Comprehensive Exam)

- I.** The Fundamentals of Therapy (10%)
- J.** Theories and Models of Therapeutic Intervention I (20%)
- K.** Theories and Models of Therapeutic Intervention II (15%)
- L.** Communication & General Counseling Skills I (20%)
- M.** Communication & General Counseling Skills II (15%)
- N.** Knowledge of Mental Health Diagnoses (10%)
- O.** Culture and Diversity (10%)

Financial Therapy Competency Resources

Additional resources for the Financial Therapy competency areas will be delivered primarily via the online video series. The following list represents identified resources that will be referenced in the videos and will be useful for candidates preparing for the CFT-I™ exam.

- Financial Therapy: Theory, Research, and Practice, Klontz et al., Springer
 - ISBN-13: 978-3-319-34411-9
- Facilitating Financial Health, 2nd Edition, Klontz & Kahler, National Underwriter
 - ISBN-13: 978-1-941627-87-7

	P	Q	R	S
Financial Therapy: Theory, Research, and Practice		X	X	X
Facilitating Financial Health (Chapter 15)	X			
Facilitating Financial Health (Chapter 5)				X

Financial Therapy Competency Areas & Weightings (40% of Comprehensive Exam)

- P.** Self of the Financial Therapist (20%)
- Q.** Research Evaluation (10%)
- R.** Money and Relationships (40%)
- S.** Standards of Practice and Ethical Considerations (30%)

Appendix IV - Sample CFT-I™ Exam Questions

Correct answers are listed in bold. Along with each question there is a listing of the competency area being tested.

1. Which of the following is not a characteristic of expansionary monetary policy? (Competency A)
 - A. More funds are available for banks to lend to borrowers
 - B. The money supply will increase
 - C. The reserve requirement will be increased**
 - D. Interest rates may decline

2. Some firms entice consumers into long-term contracts using very low introductory rates. Once the initial contract term has ended, the firm increases the cost of the service. Firms know that few consumers leave when the prices increase. These firms are relying on what behavioral economics bias? (Competency B)
 - A. Overconfidence.
 - B. Optimism.**
 - C. Status quo.
 - D. Loss aversion.

3. Jane Smith just graduated from law school and landed her first job that pays \$36,000 a year. What will she need to earn in 10 years to maintain her same standard of living if inflation averages 5% a year? (Competency C)
 - A. \$73,467
 - B. \$58,640**
 - C. \$22,353
 - D. \$57,978

4. Which of the following ratios is also referred to as the emergency fund ratio? (Competency D)
 - A. Month's living expenses covered ratio (also known as the liquidity ratio)**
 - B. Savings ratio or what some have called the percentage rule
 - C. Debt ratio
 - D. Long-term debt coverage ratio

5. When lenders evaluate your sources of income and your expenses, they are considering your: (Competency E)
 - A. capacity**
 - B. capital
 - C. collateral
 - D. character

-
6. Which of the following is an indication of a fraud? (Competency F)
- A. Hearing an investment advisor claim that he has consistently earned 15% annually for his clients over the last 10 years.
 - B. Learning that a bank is offering a 2% yield on three-year certificates of deposit.
 - C. Listening to a stock broker tell you that she believes the value of stocks is too high and that you should buy bonds.
 - D. Receiving a promotional letter from an investment advisor saying that the advisor can match the return of the stock market.
7. Adam is a recent college graduate. Here are some facts about Adam.
- Gross Income of \$55,000
 - Married to Elizabeth for four years
 - He and Elizabeth earned \$300 in taxable interest
 - Two children – Eve and Kaney, ages 7 and 9
 - He and his wife spent \$200 for legal advice
 - He paid \$300 in student loan interest
- What is Adam's TOTAL INCOME, before AGI adjustments? (Competency G)
- A. \$54,300
 - B. \$55,000
 - C. \$55,100
 - D. \$55,300
8. Someone who was willing to sell 100 shares of stock for \$19.25 per share or buy 100 shares of stock for \$18.25 would post which of the following bid and ask prices on the NASDAQ? (Competency H)
- A. Bid \$19.25; ask \$18.25
 - B. Bid \$18.25; ask \$19.25
 - C. Bid \$1,925; ask \$1,825
 - D. Bid \$1,825; ask \$1,925
9. The question "What keeps you going under such difficult circumstances" is an example of: (Competency I)
- A. A coping question
 - B. Reframing
 - C. Supportive questioning
 - D. An exception question
10. Term to describe creating a new way of seeing things completely through new learning. (Competency J)
- A. First Order Change
 - B. Second Order Change
 - C. Third Order Change
 - D. Reframing
 - E. Contemplation

-
11. From the solution-focused therapy perspective: (Competency K)
- A. **problems can be solved without knowing their cause.**
 - B. the problem is the way the family attempts to solve the problem.
 - C. the family must work as an organic system to develop solutions.
 - D. solutions are created by amplifying the metaphoric meaning of the problem.
12. Which of the following is not a stage of relationship communication as outlined in social penetration theory? (Competency L)
- A. Orientation
 - B. Exploration
 - C. **Disclosure**
 - D. Stability
13. What is not part of defining your role as counselor? (Competency M)
- A. Client population you are working with
 - B. **Personal and closely held values**
 - C. Specific therapeutic services provided
 - D. Stage of counseling
14. According to the 2012 American Psychological Association study, the number-one stressor in people's lives is: (Competency N)
- A. **Money**
 - B. Work
 - C. Health
 - D. Children
15. The ability to effectively deliver clinical services that meet the social, cultural, and linguistic needs of clients is called: (Competency O)
- A. Cultural Awareness
 - B. **Cultural Competence**
 - C. Cultural Knowledge
 - D. Cultural Bias

