

CDEFA[®]

Candidate Handbook



About the Certification Program Sponsor

The Institute for Divorce Financial Analysts (IDFA™) is the premier national organization dedicated to the certification, education and promotion of the use of financial professionals in the divorce arena. Founded in 1993, IDFA provides specialized training to accounting, financial, and legal professionals in the field of pre-divorce financial planning. Over the years, we have certified more than 5,000 professionals in the US and Canada as Certified Divorce Financial Analyst® (CDFA™) professionals.

The Institute provides comprehensive training using a variety of knowledge and skill- building techniques. Certified Divorce Financial Analyst candidates learn how to help their clients with financial issues that will affect the rest of their lives, including:

- Personal vs. marital property
- Valuing and dividing property
- Retirement assets and pensions
- Spousal and child support
- Splitting the house
- Tax problems and solutions
- Expert witness testimony
- Tax law and financial issues affecting divorce.

To acquire the designation, a candidate must successfully pass the exam(s) with a minimum score of 70% and be in good standing with their Broker Dealer (if applicable) and the FINRA/SEC or other licensing or regulatory agency.

Code of Ethics

The Code of Ethics and Professional Responsibility is provided as an expression of the ethical standards that the Institute for Divorce Financial Analysts™ has adopted and every Certified Divorce Financial Analyst™ has agreed to abide by. The code applies to every Certified Divorce Financial Analyst designee and candidate in conducting divorce-planning work.

1. Integrity: Maintain the highest standard of honesty and integrity when dealing with colleagues, the IDFA, clients or attorneys. Avoid practices that would dishonor your profession, IDFA or any of its members and employees.
2. Competence: In addition to satisfying the continuing education requirement needed to maintain the use of the designation, every CDFA professional should serve their clients competently. Therefore, acquiring the knowledge and skill necessary to do so in the area of divorce planning is required.
3. Objectivity: Objectivity requires an CDFA professional to be intellectually honest and impartial. Regardless of who hired him or her, an CDFA professional will always be objective when dealing with clients and their attorneys.
4. Fairness: CDFA professionals who maintain their financial practices should make divorce-planning recommendations independent of the potential financial planning relationship, doing so will alleviate the risk of potential conflict of interest. To do so, an CDFA professional will need to separate the two practices as to not confuse the public.
5. Confidentiality: CDFA professionals shall hold client information to the highest standard of confidentiality. Short of client consent or appropriate legal process, an CDFA professional shall not release any information about their client before, during or after the divorce.
6. Professionalism: CDFA Professionals interactions shall project the highest levels of professionalism. Whether dealing with clients, attorneys, IDFA or any of its partners or subsidiaries an CDFA professional will behave in a professional manner.

7. Scope: An CDFA professional, by education and training, is specialist dealing in the financial issues of divorce. Working alongside the attorney who is licensed to practice law, an CDFA professional must never (unless licensed to do so) advise clients on their legal rights. In addition, an CDFA professional must never market his or her services in a misleading fashion or represent themselves as representatives of IDFA.
8. Compliance: An CDFA professional will comply with all the laws related to the business they conduct and report to the IDFA any actions by other CDFA professionals that are illegal or in violation of this code. In addition, an CDFA professional will comply with any requests from the IDFA for information regarding any complaints brought against him or her. If IDFA, after comprehensive investigation, decides that either suspension or revocation of the CDFA designation is the proper remedy, an CDFA professional will comply with the order.
9. Unauthorized practice of law: An CDFA professional understands that, in order to practice law, one has to be licensed. Under no circumstances will an CDFA professional represent that the IDFA certification is a license to practice law.
10. Support: An CDFA professional will always support our profession and the IDFA as the main driving force behind the progress of the profession. Additionally, an CDFA professional will not collude, debase or discredit the IDFA or the profession.

Purpose of the Certification Exam

This exam will certify that the successful candidate has the knowledge and skills necessary to analyze and provide expertise on the financial issues of divorce. This exam has been created to:

- Protect the public interest by certifying a level of competence in analyzing the financial aspects of divorce.
- Provide a means for individuals going through a divorce and seeking financial analysis and expertise to identify professionals that are qualified to assist them.
- Provide a means for family lawyers and other professionals to identify qualified individuals to provide financial analysis and expertise, including serving as an expert witness.

Eligibility Requirements for the Certification Exam

Eligibility requirements consist of 3 years of financial experience and a four year Bachelors degree from an accredited university. Candidates may petition the Board of Advisors for an exception to the eligibility requirements by writing: Institute of Financial Advisors, 2224 Sedwick, Ste 102, Durham, NC 27713

Non-discrimination and fairness policy

The only requirements for the certification are outlined above and no discrimination on the basis of age, gender, ethnicity or sexual orientation will be tolerated.

Exam Fees

Please see the IDFA website (www.institutedfa.com) for exam fees and current promotions.

How to Apply and/or Register for the Exam

PearsonVue is the testing provider for IDFA multiple choice exams. To schedule an exam, you must first create a test taker account with Pearson. To create a test taker account, go to www.vue.com/idfa/. On the next screen mark NO I do not know my Pearson VUE Testing ID and use the same email address you used to register with on the IDFA website and then complete all other required fields. Once you have an account, you can register for exams using the vouchers above. Once registered you will receive a scheduling confirmation email. There will also be an authorization code in the email that you will need to present to the exam proctor. Make sure to print the email or write down the authorization code to take with you.

ADA Accommodation Policy and Procedures

- In compliance with the Americans with Disabilities Act, IDFA will provide reasonable accommodations to disabled candidates except when the accommodation would change the construct being measured and jeopardize the validity of the examscores.
- Request must be made at least 30 days prior to testing date.
- The candidate must provide a signed letter from a health care provider or other appropriateprofessional on the professional's letterhead (including title, address, and phone number ofprofessional) that describes the disability, length of time the candidate has been a patient,and requested testing accommodation.
- The process for reviewing requests for accommodation will follow all applicable jurisdictional laws and regulations.

Test Day Procedures

When to arrive at the test center

Plan to arrive at the test center early to check-in at least 15 minutes before your scheduled testing time. If you have arranged for a special accommodation, please arrive at the test center at least 30 minutes in advance of your scheduled testing time.

What to bring to the test center

You must bring two (2) forms of identification to the test center, one of which must be a photo ID. Acceptable forms of photo ID include: State issued driver's license, passport, military identification, an employee identification card or a student picture ID from an accredited college or university. Acceptable forms of a second (non-photo) ID include: credit card, check cashing card or a bank debit card. (A social security card is NOT an acceptable form of identification.)

You **must** also bring the Test Taker Authorization Code that you received in the email registration confirmation.

Test Center Policies

The following policies are observed at each test center. Candidates who violate any of these policies will NOT be permitted to finish the examination and will be dismissed from the test center, forfeiting the examination fee.

- ***No personal items are allowed in the testing room.*** Personal items include but are notlimited to: cellular phones, smartphones, or other electronic devices, pagers, watches, wallets, purses, firearms or other weapons, hats, bags, coats, books, and/or notes, pens orpencils.
- Candidates must store all personal items in a secure area as indicated by the administrator(or return items to their vehicle). All electronic devices must be turned off before storingthem in a locker. ***The test center is not responsible for lost, stolen, or misplaced personalitems.***
- Studying is not allowed in the test center. Visitors, children, family, or friends are notallowed in the test center.
- Dictionaries, books, papers (including scratch paper), and reference materials are notpermitted in the testing area and candidates are strongly urged not to bring such materialsto the test center.
- Eating, drinking, or chewing gum, smoking and/or making noise that creates a disturbance for other candidates is prohibited during the exam.

- Unscheduled breaks are allowed when needed. To request an unscheduled break, the candidate must raise his or her hand to get the administrator's attention. The exam clock will not stop while the candidate is taking a break.
- Candidates must leave the testing room for all breaks. However, applicants are not permitted to leave the floor or building for any reason during any unscheduled break, unless specified by the administrator and the exam sponsor. If a candidate is discovered to have left the floor or building, the candidate will not be permitted to proceed with the examination and may forfeit the examination fee.
- While taking a break, candidates are permitted to access personal items that are being stored during the exam only if necessary—for example, personal medication that must be taken at a specific time. However, a candidate must receive permission from the administrator prior to accessing personal items that have been stored. Candidates are not allowed access to other items, including but not limited to, cellular phones, PDAs, exam notes and study guides, unless the exam sponsor specifically permits this.
- Any candidate discovered causing a disturbance of any kind or engaging in any kind of misconduct—giving or receiving help; using notes, books, or other aids; taking part in an act of impersonation; or removing examination materials or notes from the examination room—will be summarily dismissed from the examination and will be reported to the exam sponsor. Decisions regarding disciplinary measures are the responsibility of the exam sponsor.

What to expect (e.g., check-in procedure, time allotted for exam, breaks/no breaks, test aids)

When you arrive at the HOST Location for your test session, present your proctor with the Test Taker Authorization Code you received in your registration confirmation email.

You are required to bring two forms of identification with you to the HOST Location, which your proctor verifies and records. The proctor hands you a document to read in the waiting room while they load your exam in the testing area. This document prepares you for your test session.

Once your test has loaded, your proctor shows you where the restrooms are, stores your personal belongings in a secure compartment, provides you with any test aids permitted by IDFA and answers any test session questions you may have. Aids will include life expectancy table and a tax table.

You may then begin your test. The test engine provides you with detailed instructions on how to take the exam and walks you through each step of the process.

When finished, you are prompted to notify your proctor that you have completed the test. The proctor will then close your test session.

Your test scores will be provided immediately upon completion of the exam and will appear on your computer screen.

Cancellation and Change Policies

To reschedule or cancel a registration, candidates should call PearsonVue Location Test Taker Scheduling Support at 1-888-473-1038 at least twenty-four (24) business hours prior to the scheduled testing time. Candidates who change or cancel a reservation with proper notice may either transfer their examination fee to a new registration or request a refund. Candidates who change or cancel a reservation without proper notice will forfeit the examination fee and need to purchase a retake on the IDFA website (www.institutedfa.com).

No Shows and Late Arrival Policies

Candidates who do not present for their scheduled testing time or arrive late for the appointment will

forfeit the examination fee. The testing appointment must be canceled or rescheduled at least 24 hours prior to the scheduled testing time to receive a refund or be able to credit the examination fee to a future testing session.

Refunds Policy

Examination fees are non-refundable and non-transferable except as detailed in the Cancellation and Change Policies.

Score Reporting

Scores will be displayed immediately upon completion of the exam. Passing candidates can begin using the credential designation after their name on business cards, email signatures, and professional correspondence. Passing candidates will also receive an official certificate identifying them as an Certified Divorce Financial Analyst from IDFA.

Failing candidates will have the ability to retake the exam by purchasing a retake under the product catalog on the IDFA website (www.institutedfa.com). See further details in the Retake Policies.

Confidentiality

No information regarding a candidates exam score, or other personal information submitted to IDFA will be released to a third party without authorization from the appropriate candidate.

Retake Policies

Failing candidates that wish to retake the exam will need to purchase the retake on the IDFA website under the product catalogue. Candidates must wait a minimum of thirty days prior to taking the examination again. If a Candidate fails the exam three times, they must wait one year before being eligible to retake the examination. The fees for the retake are listed on the IDFA website (www.institutedfa.com). The candidate will also need to reschedule the exam with the PearsonVue testing center through logging on at the PearsonVue website (www.vue.com/idfa/).

How Cut Score is Determined

The examination cut score (i.e., passing point) is determined using the Modified Angoff method, which is a criterion-referenced approach commonly used for certification and licensure examinations. This method utilizes the judgments of subject matter experts to determine the number of correct answers to pass the examination. Their judgments, and the examination cut score, are based on minimal standards for competent job performance rather than relative candidate performance (e.g., grading on the curve). The cut scores for new examination forms are determined through a statistical equating process or the Modified Angoff method.

Appeals Process

Candidates may appeal a negative determination within 30 days of the date postmarked on the notification email informing the candidate of a failed examination, by submitting a written explanation of the reason for refuting the negative determination.

1. All appeals materials must be submitted in writing to:

Institute for Divorce Financial Analysts™
2224 Sedwick Road, Suite 102
Durham, North Carolina 27713

2. Candidates will be notified in writing of the receipt of the appeal and of the decision on the appeal. All appeals decisions will be made within 90 days. Appeal results are not provided by telephone, fax or other electronic methods.

Exam Security Policies and Procedures

The exam is delivered by PearsonVue, the testing service IDFA contracts to provide the security, delivery, and scoring of all IDFA certification exams. PearsonVue utilizes an extensive network of proctors and computer-based testing centers.

PearsonVue assumes responsibility for all exam administration arrangements and provisions for special-exam accommodations as needed. They will ensure that all examination centers conform to local building, sanitation, ADA, health and safety codes, and are maintained in good, clean condition. PearsonVue will train testing site administrators to provide a site that has accessible parking spaces within reasonable distance to the examination rooms, examination rooms that are quiet, free from any known environmental distractions and interruptions, and comfortable in temperature. Every attempt, within reason, is made to ensure a quiet and comfortable testing environment for all candidates. However, last minute needs and emergencies by building operators cannot be anticipated. We suggest that you bring appropriate clothing with you (i.e., sweat shirt without pockets or a hood) to help you adapt to a cooler or warmer climate in the examination room. Bring earplugs if you are very sensitive to noise distractions.

Computer-based examinations are administered in a room with a closeable door to minimize potential distractions to the candidates. The proctor will monitor activity from within the examination room, via direct observation through an unobstructed window view, or via video surveillance.

You may be disqualified from taking or continuing in the examination process, or from receiving exam results, if IDFA or PearsonVue (the organization administering the exams on behalf of the IDFA), PearsonVue proctors, or personnel at the contracted testing center have determined at any time during the exam registration, administration, or scoring process, through examiner observation or statistical analysis that a candidate was engaged in collaborative, disruptive, or other unacceptable behavior before, during, or following the administration of the CDFA exam. This includes irregular behavior associated with any aspect of the examination and violations of the IDFA Code of Ethics.

About the Exam

The CDFA exams consists of 350 multiple choice items across 7 different areas including:

1. Professional Responsibilities
2. Divorce Law and Legal Terminology
3. Property and Taxation
4. Retirement Plans, Taxation, and Social Security Benefits
5. Spousal and Child Support and Taxation
6. Financial Analysis and Planning
7. Specialty Areas

All items are weighted the same for scoring purposes. Some items will involve the use of an approved financial calculator, while other items will use a case study. Case studies, tax tables, and life expectancy charts will be provided electronically on a split screen. The candidate will have 2 hours to complete each of the examinations.

Ongoing Certification Requirements

CDFA practitioners are required to maintain technical competence and to fulfill ethical obligations. Practitioners must pay an annual reinstatement fee of \$295. Every two years, they must complete a minimum of fifteen (15) hours of continuing education specifically related to the field of divorce. A certificate of completion is required to be submitted by each certificant for each credit hour of continuing

education that is applied for. Some continuing education courses require a test to be completed at the end of the course before the certificant receives their certificate of completion. IDFA staff review the submissions for accuracy and relevancy and either approve or decline the course. A listing of which topics are typically approved and which are denied is available on the website. The certificant receives an email letting them know how many hours were approved for each of their submissions. The Board of Advisors will review the CE requirement on a periodic basis and the number and type of hours are subject to change.

IDFA™ Disciplinary Rules and Procedures

The IDFA has adopted a Code of Ethics and Professional Responsibility (“Code”), which establishes minimum standards of acceptable professional conduct for individuals entitled to use the CDFA certification mark and the marks CDFA and Accredited Divorce Financial Analyst™ (collectively, “the marks”). An CDFA designee’s use of the marks is a proclamation to the public that the CDFA designee is a person that members of the public can trust for advice regarding the financial aspects of divorce. An CDFA designee will be true to that trust, will hold inviolate the confidences of the client, and will competently fulfill his/her responsibilities to the client. Adherence to the Code is mandatory for all CDFA designees, and its provisions will be strictly enforced by the IDFA. Noncompliance may result in certification revocation.

Grounds for Disciplinary Investigation:

- Failure to follow the CDFA Code of Ethics and Practice Standards.
- Conviction of criminal violation of state or federal law whether or not the violation occurred while working with a client.
- Such other circumstances as deemed appropriate by the IDFA.

Forms of Discipline:

IDFA action as a result of a complaint can result in the following forms of discipline:

- Dismissal – After examination the Ethics Committee chairman has determined the complaint is without warrant and the charge against the CDFA designee has been dismissed. No further action is needed and the matter remains confidential.
- Private Censure Letter – The ethics committee chairman has determined that a letter of censure will be placed in the CDFA designee’s file. There is no further action required and the matter remains confidential.
- Suspension.
- Revocation.
- Such other discipline as the IDFA determines is appropriate.

The disciplinary action to be taken by the IDFA will be determined by the IDFA on a case by case basis in its discretion.

Investigation Process:

- All complaints against an CDFA designee must be submitted in writing to the IDFA.
- The chairman of the Ethics Committee will request that the CDFA designee forward all pertinent information to the chairman within 30 days. Failure to comply with an information request within this time may result in disciplinary action.

- The chairman will evaluate the validity of the complaint and make a disciplinary recommendation.
- Should the CDFA designee disagree with the chairman's decision they may appeal the decision in writing within 20 days.
- The Steering Committee will review the information and decide the appropriate course of action within a reasonable period of time.
- The Steering Committee's decision is final and binding.

Reinstatement after Discipline:

- Reinstatement after Suspension: Upon expiration of the period of suspension, an CDFA designee must file with the IDFA, within 30 days of the expiration of the period of suspension, an affidavit stating that the suspended CDFA has fully complied with the order of suspension and with all applicable provisions of the order.
- Revocation shall be permanent and there shall be no opportunity for reinstatement.

Confidentiality of Proceedings:

Dismissals and private censures shall be handled confidentially, to the extent possible. The IDFA will make such disclosures as are required in order to satisfy the requirements of law or the lawful orders or processes of the court or other governmental body or agency or as reasonably required for any regulatory compliance. Suspensions and Revocations will be made available to the public at the discretion of the IDFA.