THE COMPLETE GUIDE TO

Attaining *The Certified Turnaround Professional (CTP)* Designation

A well-recognized advanced certification in the corporate renewal industry that teaches and tests proficiency in financial, operational and legal elements of a turnaround.
The Certified Turnaround Professional (CTP) designation was introduced in 1993 to provide training and create an objective measure of the experience, knowledge and integrity that is necessary to conduct corporate renewal work.

A syllabus of material, referred to as the Body of Knowledge (BOK), was developed, outlining concepts that all professionals practicing corporate renewal should master. The Body of Knowledge includes comprehensive educational material in management and operations, accounting and finance, and law. Review courses and examinations are offered on these topics.

In 2005, the technical proficiency and experience standards were expanded to provide broader access to this valuable CTP program and include a wider range of restructuring professionals who comprise a turnaround team. Review courses and materials outside the examination process are available to any individual interested in expanding his or her knowledge and skills in turnarounds and to companies wanting to offer continuing education to their professionals.

This guide provides a complete overview of the certification process and requirements, including a summary of the Body of Knowledge review course content.

Application forms for the review courses and the examinations are included in the back pocket of this guide.
WHY IS CERTIFICATION IMPORTANT?

certification is an integral part of any profession. Not only does a certification program create standards and raise the stature of an industry, it also provides a measurement that allows for differentiation among professionals. The Certified Turnaround Professional (CTP) designation provides evidence of an individual’s commitment to the turnaround and corporate renewal industry and also attests to a level of expertise that non-certified professionals may find difficult to prove. Completing the CTP certification process provides a corporate renewal professional with a solid foundation to operate successfully in the industry and could very well enhance future earning power.

In fact, the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 (S. 256) makes certification more important than ever. Section 415 directs the court to consider whether a professional person is board certified or has otherwise demonstrated skill and experience in the bankruptcy field. This amendment makes board certification a specific factor in the award of compensation to professionals.

WHY PURSUE CTP?

Gaining a CTP certification enables you to:

• Demonstrate your commitment, competency and expertise in the corporate renewal industry
• Learn more about turnaround strategy, both in and out of court
• Raise your stature in the corporate renewal industry and gain a competitive edge
• Sharpen your skills through interactive teaching sessions taught by academics and industry experts
• Promote the professionalism of the turnaround and corporate renewal industry

WHO CAN BECOME A CTP?

The certification is available to the following individuals with business experience who are part of the corporate renewal profession. They include:

• Turnaround practitioners
• Workout lenders
• Portfolio managers
• Corporate turnaround executives
• Industry veterans who have significantly contributed to the turnaround and corporate renewal industry and have demonstrated through their practice a high degree of technical and practical knowledge
• Retiring professionals who want to maintain their CTP designation by becoming a CTP Emeritus
• Those who have passed the three-part examination but have not yet fulfilled the work experience requirement and want to become a CTP-Designate (CTP-D)
• Those who have obtained the CIRA designation from the Association of Insolvency and Restructuring Advisors (AIRA) and want to take advantage of the waiver granted for the CTP Accounting and Finance examination
CERTIFICATION REQUIREMENTS

In addition to the general requirements for certification previously outlined on page 2, the following specific requirements and exceptions apply to each group of potential CTP holders:

### Turnaround Practitioners
- Hold a bachelor’s degree from an accredited college or university or possess 10 years of executive management or consulting experience
- Pass the three-part certification examination
- Possess a minimum of five years of executive management or business consulting experience, three of which have been in turnaround or restructuring management
- Provide recommendations from three professional peers of the candidate, with no more than one from the same firm
- Submit letters from at least three clients confirming the turnaround nature of the assignments undertaken
- Submit five case studies confirming the turnaround nature of the assignments undertaken

### Workout Lenders
- Hold a bachelor’s degree from an accredited college or university or possess 10 years of direct experience in loan workouts with problem credits for a lender
- Pass the three-part certification examination
- Possess a minimum of five years of loan workout experience as an agent or in direct loan relationships dealing with problem credits for a lender, or a combination of applicable loan workout, qualifying turnaround practitioner, or applicable corporate executive experience
- Provide recommendations from three practitioners
- Submit five case synopses (without disclosing company) in which the candidate was a dominant force in the resolution of the case and is supported by references of other professionals who worked on the case

### Corporate Executives
- Hold a bachelor’s degree from an accredited college or university or possess 10 years of senior management experience
- Pass the three-part certification examination
- Possess a minimum of five years of senior management experience leading the turnaround of the business or major business units
- Provide recommendations from three practitioners
- Submit three letters of reference attesting to professional experience and specialized expertise
- Submit five case studies confirming the turnaround nature of the assignments undertaken

Work experience in the area of problem credits for lenders includes:
- Liquidations
- Foreclosures
- Bankruptcies
- Negotiated settlements
- Restructuring
- Credit enhancement

Typical departments in which the candidate has worked may include:
- Workout
- Special assets
- Managed assets

In addition, experience with underperforming credits in asset based, Tranche B, mezzanine, and similar institutions is also applicable.

In situations in which an institution generally is a participant in a shared credit, the candidate must have a meaningful track record of assisting the lead lender.
CERTIFICATION REQUIREMENTS

Industry Veterans/Honorary Track Candidates

- Hold a bachelor’s degree from an accredited college or university or possess 10 years of executive management or consulting experience
- By invitation only
- Must be recommended by a CTP
- Approval required by a subcommittee before invitation and application are sent to a potential candidate
- Requires Standards Committee review and approval
- Exam requirement is waived; documented case successes, as well as speaking and publishing on the turnaround process, are substituted
- 15 years or more experience in turnaround or corporate renewal industry
- Provide recommendations from three professional peers of the candidate, with no more than one from the same firm
- Submit letters from at least three clients confirming the turnaround nature of the assignments undertaken
- Submit five case studies confirming the turnaround nature of the assignments undertaken

Retiring Professionals (CTP Emeritus)

- Current CTP for more than five years
- Retired from turnaround industry on a full-time basis
- Continuing education requirement is waived after the first five-year reporting cycle has been completed

When certification candidates in each of these categories have met all of the requirements as outlined, their names are posted for 60 days in the TMA Journal of Corporate Renewal for public review. To maintain their certifications, CTPs must complete at least 50 hours of continuing education during each two-year period after attaining the designation, including two hours of ethics credit.

Recent Developments in International Certification

The certification program as described in this guide teaches corporate renewal principles relevant to practice in North America. This does not exclude individuals residing outside of North America from taking courses and exams. Inquiries about establishing a certified turnaround professional program outside of the United States should be directed to Nicole Gibby at 1-312-578-6900.

GETTING STARTED IN CERTIFICATION

For questions as to whether you qualify for certification, please send a copy of your resumé and a brief overview of your work experience to info@actp.org

To apply for certification:

- Complete and submit the Application for Certification, which can be found in the back of this guide or at www.actp.org, along with the application fee of $595.
- Register for one or more sections of the certification examination (please see the registration form in the back of this guide).
- Submit the appropriate number of professional references, client confirmations, and case studies, which will be held until your file is complete.

If you have any questions regarding certification, please visit www.actp.org or call 1-312-578-6900.
REVIEW COURSES AND EXAMINATIONS

The Body of Knowledge courses provide education on the concepts listed below, among others. The Body of Knowledge courses are open to all individuals seeking a continuing education opportunity and also serve as a review to those individuals preparing to take the certification exam. Course materials are available in conjunction with course registration or may be purchased independently. To register for a course and/or exam, to purchase course materials, or for questions regarding the certification program, please visit www.actp.org.

Management
- Causes of business failure
- Early warning signs of decline/failure
- Basic requirements for successful turnarounds
- Characteristics of effective turnaround managers
- Stages of the turnaround process
  - Management change
  - Situation analysis
  - Design and selection of a turnaround strategy
  - Emergency action
  - Business restructuring
  - Return to normal

Law
Commercial and Business Law
- Secured transactions
- Employment issues
- Environmental issues

General contract issues
- Payment systems
- Judicial debt collection

Bankruptcy
- Types of bankruptcy relief
- What types of enterprises can be debtors under the Bankruptcy Code
- Bankruptcy case commencement
- Effect of bankruptcy filing
- Debtor-in-possession financing and cash collateral
- Use, sale and lease of property of estate
- Parties in Chapter 11 proceedings
- Trustee’s avoiding powers
- Executory contracts
- Claims and interests
- Chapter 11 plan
- Bankruptcy courts and jurisdiction

Accounting & Finance
- Understanding financial statements
- Financial markets
- Cost of capital
- Valuation of business
- Capital structure
- Sources of capital
- Shareholder value
- Cost analysis
- Profit planning and budgetary control
- Performance measurement
- Tax awareness

Additional topics
- Workers Adjustment and Retraining Notification (WARN)
- Consolidated Omnibus Budget Reconciliation Act (COBRA)
- Comprehensive Environmental Response, Compensation and Liability Act (CERCLA)
- Age Discrimination in Employment Act of 1967
- Implementing out-of-court reorganization

www.actp.org
The certification web site, www.actp.org, provides complete details about certification, a downloadable application for certification, on-line registration for courses and exams (and printable registration form), and an on-line order form for course materials (and printable order form).

Questions?
Contact Nicole Gibby at 1-312-578-6900 or info@actp.org