

**CERTIFIED FINANCIAL PLANNER BOARD OF STANDARDS, INC.
WASHINGTON D.C.**

IN THE MATTER OF

SHIMSHON PLOTKIN

Respondent.

CFP Board Case No. 2020-00336

October 11, 2024

ADMINISTRATIVE ORDER OF PERMANENT BAR

On May 3, 2024, Enforcement Counsel for Certified Financial Planner Board of Standards, Inc. (“CFP Board”) filed a Motion for Order of Administrative Permanent Bar under Article 4.2 of CFP Board’s *Procedural Rules* (“Motion”) requesting that Counsel for the Disciplinary and Ethics Commission (“DEC Counsel”) issue an Administrative Order of Permanent Bar against Respondent. No hearing on the Motion was requested, and Respondent did not file a response to the Motion.

For the reasons stated below, the Motion is **GRANTED**.

I. BACKGROUND

Respondent became a CFP® professional on October 11, 1999 and remained certified until February 29, 2024, when he failed to complete the certification renewal requirements. (Motion at 1, Motion, Ex.1 at 2.)

A. Complaint

On February 13, 2024, Enforcement Counsel delivered to Respondent and contemporaneously filed with the Disciplinary and Ethics Commission a Complaint alleging violations of Rules 4.5 and 1.4 of CFP Board’s *Rules of Conduct*. (Motion, Ex. 1 at 11-15.) Rule 1.4 of the *Rules of Conduct* states that CFP® professional must at all times place the interests of the client ahead of his or her own; and that when the CFP® professional provides financial planning or material elements of financial planning, the CFP® professional owes the client the duty of care of a fiduciary—that is, one who acts in utmost good faith, in a manner he reasonably believes to be in the best interest of the client. Rule 4.5 adds that the CFP® professional must make or implement only recommendations that are suitable for the client.

The Complaint alleges that over the course of several years, seven of Respondent’s customers filed five FINRA arbitration claims against Respondent alleging that Respondent recommended unsuitable investments, including non-traded real estate investment trusts as well as alternative investments. (*Id.*) According the Complaint, two of the arbitrations involved customers for whom Respondent had prepared a financial plan and had then made unsuitable investments as part of the financial plan. The Complaint alleges that two of the arbitrations were still pending and three had been settled for a total of \$440,000. (*Id.*)

Respondent has not filed an Answer to the Complaint.

B. Motion

In its Motion, Enforcement Counsel represents that the parties conferred by telephone on November 10, 2023, and that during the call Respondent indicated that he no longer wanted to maintain his CFP® certification and preferred to resolve the matter by not filing an Answer to the Complaint, defaulting, and being permanently barred from CFP® certification through an Administrative Order. (Motion at 1.)

Enforcement Counsel states in its Motion that it has determined that the seriousness, scope, and harmfulness of Respondent's conduct, as alleged in the Complaint, warrants an Administrative Order imposing a permanent bar against Respondent. (*Id.*)

II. DISCUSSION

If Respondent fails to file an Answer in accordance with Article 3 of the *Procedural Rules*, then Respondent is in default under Article 4.1.e.

The Motion states with reasonable particularity the grounds for Respondent's default, as required by Article 4.2 of the *Procedural Rules*. Respondent made the conscious decision to default and did not file an Answer to the Complaint, as required by Article 3.2. (*Id.*)

Enforcement Counsel filed the Motion based on its determination of the seriousness, scope, and harmfulness of Respondent's conduct, as required under Article 4.2 of the *Procedural Rules*. (*Id.*)

III. CONCLUSION

DEC Counsel **GRANTS** the Motion and issues this **Administrative Order of Permanent Bar** against Respondent ("Order"). Respondent is permanently prohibited from applying for or obtaining CFP® certification. CFP Board publishes an Administrative Order in accordance with Article 17.7.

IV. COMPLIANCE WITH ORDER

Pursuant to Article 11.2 of the *Procedural Rules*, Respondent is required to submit to Enforcement Counsel within 45 calendar days of issuance of this Order, or by **November 26, 2024**, written evidence that Respondent:

1. has advised Respondent's Firm(s), in writing, of this Order in the manner set forth in Standard D.3 of the *Code and Standards*;
2. has advised all Clients (as Client is defined in the Glossary to the *Code and Standards*) of this Order and provided all Clients the location of CFP Board's website that sets forth Respondent's disciplinary history in the manner set forth in Standard A.10 of the *Code and Standards*; and
3. will advise all future Clients of the location of CFP Board's website that sets forth Respondent's disciplinary history, according to Standard A.10 of the *Code and Standards*.

Pursuant to Article 11.3 of the *Procedural Rules*, within 45 calendar days from the date of this Order, or by **November 26, 2024**, Respondent is required to submit to Enforcement Counsel, by sending an email to discipline@cfpboard.org, Respondent's statement of assurance that Respondent will not use the CFP Board certification marks and proof that Respondent has removed the CFP Board certification marks from all internet sites or other tangible materials that Respondent exposes to the public, including screenshots of the businesses, social media, and third-party financial advisor listing website profiles that Respondent controls, pictures of signage, and when applicable, copies of Respondent's business cards, letterhead, and marketing and promotional materials, as well as pictures of any other materials Respondent controls in which the CFP® marks previously appeared publicly in reference to Respondent or Respondent's services.. Failure to do so may result in further disciplinary or legal action regarding the unauthorized use of the CFP Board certification marks.

Issued by:

Counsel to the Disciplinary and Ethics Commission
October 11, 2024