

**THE DISCIPLINARY AND ETHICS COMMISSION
CERTIFIED FINANCIAL PLANNER BOARD OF STANDARDS, INC.**

In the Matter of

Jason R. Guehl,

Respondent.

CFP Board Case No. 2021-62873

September 4, 2025

ORDER

Certified Financial Planner Board of Standards, Inc. (“CFP Board”) granted Respondent the right to use the CFP®, CERTIFIED FINANCIAL PLANNER®,  and  certification marks (“CFP marks”) on May 15, 2007, and he has been certified since that date. (DEC Book at 6.)¹

I. PROCEDURAL HISTORY

On October 3, 2024, Enforcement Counsel filed a Complaint with CFP Board’s Disciplinary and Ethics Commission (“Commission”) alleging grounds to sanction Respondent for violating CFP Board’s *Rules of Conduct* in connection with an options trading strategy implemented for Respondent’s financial planning client.² (DEC Book at 6-14.) The Complaint alleges that Respondent breached his fiduciary duty to act in the best interest of the client (Rule 1.4), failed to recommend or implement only suitable recommendations (Rule 4.5), communicated false or misleading information to his client (Rule 2.1), and engaged in conduct that reflects adversely on his integrity or fitness as a certificant, on the CFP® marks, or on the profession (Rule 6.5). (*Id.* at 11-13.)

On November 26, 2024, Respondent filed an Answer in which he admits to almost all the factual allegations in the Complaint, but disputes that there are any grounds for a sanction against him given, among other things, his view of the limited scope of his role and responsibilities with respect to the client. (*Id.* at 356-75.)

On May 29, 2025, a hearing panel formed under Article 10.6 of the *Procedural Rules* convened virtually to hear testimony, and to review and consider documents, information and argument. (Transcript of Hearing of Jason R. Guehl, May 29, 2025 (“Tr.”) at 1.) Enforcement Counsel appeared by video for CFP Board; DEC Counsel appeared for the Commission and for the hearing panel; Respondent appeared with counsel by video.³

¹ The DEC Book and any exhibits to this Order will not be published under Article 17.7 of the *Procedural Rules*.

² The conduct at issue in this matter occurred before June 30, 2020, at which point the *Rules of Conduct* were superseded by CFP Board’s enforcement of the *Code of Ethics and Standards of Conduct*.

³ During the hearing, the Hearing Panel instructed the parties to produce additional relevant evidence. On May 30 and June 3, 2025, respectively, Enforcement Counsel and Respondent produced additional evidence into the record.

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II. FINDINGS OF FACT

A. Background

Respondent has passed the Series 66 Uniform Law Examination (2001). (DEC Book at 6.)

Respondent has been associated with his current firm since April 16, 2012, and was promoted to his current position of Managing Director in 2017. (*Id.*; Tr. at 21.) In that role, Respondent serves as the “relationship manager” for his clients, which, as he describes it, includes building a customized plan tailored to the clients’ needs, bringing in internal resources to help execute the plan, and overseeing the relationships. (Tr. at 21, 115, 119-20.)

B. Arbitration Award Against Respondent’s Firm

On July 7, 2023, after a nine-day arbitration hearing, a retired judge serving as a JAMS arbitrator issued an award directing Respondent’s advisory firm to pay more than \$4.7 million to a former client who incurred losses from the firm’s implementation of a covered call options strategy in the client’s account. (DEC Book 192-93.) Among other things, the arbitrator found that Respondent’s firm had breached fiduciary duties and had been negligent in its dealings with the client and in its implementation of the options strategy. (*Id.* at 179, 184, 192.) Respondent testified as a witness at the arbitration. (Tr. at 161-62.)

Although Respondent was not named in the arbitration, many of the factual findings recited in the arbitration award describe Respondent’s conduct. These facts—derived from the evidence presented to the arbitrator—include that: (1) Respondent and a director with the firm’s complex strategies group failed to disclose the full nature of the options strategy and its financial impacts; (2) the options strategy was not in the client’s best interests; and (3) the options strategy was contrary to the client’s stated investment objectives of growth and conservation of capital. (DEC Book at 370-71.)

C. The Start of the Client Relationship

Respondent was first introduced to the client in June 2018, through a broker-dealer referral. (*Id.* at 42-43, 364.) Respondent learned that the client had received stock options from his former employer, a technology company that went public in 2017, creating substantial wealth for the client. (DEC Book at 364, 370; Tr. at 22.) Respondent learned that 99 percent of the client’s wealth was concentrated in the company’s stock. (DEC Book at 364; Tr. at 22.)

At the time of the referral, the client was planning to finance the purchase of a house on margin,⁴ but he did not want to diversify or sell his concentrated stock position. (DEC Book at 364; Tr. at 126.) Respondent described the client as “a super smart techy” but does not dispute that the client had minimal experience with stocks, financial trading, and options. (DEC Book at 69-70, 370.)

⁴ An individual can finance on margin using stock in their investment account as collateral. (DEC Book at 240.)

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On June 13, 2018, Respondent emailed the client to solicit his business, marketing his firm as having “more tools available than any other firm in the industry.” (DEC Book at 138.)

On June 20, 2018, Respondent emailed a director in his firm’s complex strategies group about ongoing efforts to secure the client for the firm. (*Id.* at 365.) In the email, Respondent asked the director how much the client could borrow against his concentrated stock position and whether the client could “run” options on the stock. (*Id.* at 229, 365.)

The director replied the next day that the client could borrow between 40 to 50% against his concentrated position and that the client was a “great covered call candidate.” (*Id.* at 157.)

Later that same day, Respondent informed the client that he could borrow up to 55% of the value of his concentrated stock position and noted that he was a “great candidate for a covered call strategy.” (*Id.* at 158.)

On September 11, 2018, the client entered into an investment advisory agreement with Respondent’s firm. (*Id.* at 365-66.) In the options account agreement the client completed a week later, he listed his investment objectives as “growth” and “conservation of capital.” (*Id.* at 341-44, 365-66.)

Respondent advised the client to diversify his wealth (Tr. at 126, 132-33), but the client refused, stating that he wanted to borrow against his concentrated position and did not want to diversify his holdings. (DEC Book at 365-66; Tr. at 24.)

D. The Covered Call Strategy

On September 18, 2018, Respondent and the director from the firm’s complex strategies group met with the client to introduce and discuss a proposed covered call strategy. (DEC Book at 159-60, 366.) In that meeting, Respondent was provided with documentation describing the strategy:

A covered call strategy is a bullish long-term strategy designed to smooth out the returns of the underlying stock position by providing downside protection in the amount of premium received from the sale of the call. In return for this limited downside protection, the upside of the stock is also capped. In a covered call strategy, the owner of an equity position uses their shares of stock as collateral to sell a call option above the current market price of the stock. The client’s long stock position and corresponding short call position make up the covered call strategy. When selling a call, you are selling the right to purchase the shares of stock from you at an agreed upon price (strike price) by an agreed upon date (expiration date). In exchange for that right, the buyer of the call option pays you (the seller) an option premium. The objective in a covered call strategy is to increase your probability of profiting from the stock position over the long-term in exchange for limiting the amount of the potential profit in the short-term. The premium generated from call writing reduces the overall risk of holding a concentrated position when compared to holding the shares outright.

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With a covered call strategy, there is the potential that the stock will be called (purchased) by the option buyer. If the stock is called, the shares will be sold at the strike price, resulting in a capital gain or loss, either of which will impact your taxes. If you do not want to sell shares at the strike, the options will be repurchased, resulting in a loss on the option contract. The loss on the option contract will be offset by the gain in the shares over the strike price dollar for dollar. This is why [the firm] evaluates the performance of the underlying stock as well as the performance of the options. Since the underlying shares are being used as collateral for the call option sale, the performance of both assets need to be combined to derive an overall strategy return.

(DEC Book at 159-60.)

The documentation described how the firm carried out its particular covered call strategy:

[The firm’s] covered call strategy targets call options with expiration dates that are in 35-50 days. [The firm] selects this duration timeframe for our options contracts so we can stay current with the underlying stock price. Longer duration options contracts take on more risk, as there is more time for the stock price to move above the strike price. **[The firm] targets options that have an approximately 70% chance of the call expiring out of the money at the expiration date.**

(*Id.* at 160-61) (emphasis added).

Respondent and the director from the firm’s complex strategies group also provided the client with examples of how the covered call strategy would perform at different price points throughout the life of a trade. (DEC Book at 366.) Only one of the four examples contemplates a situation where an “out of the money” option (one whose strike price remains above the underlying stock price) becomes “in the money” (with a strike price below the stock price) and can therefore be exercised; in that situation, the open option position is closed, and another call option is sold out of the money. (*Id.* at 161, 366.) None of the examples contemplates selling in the money call options or the economic impact of selling them. (*Id.* at 366.)

Neither the firm’s Customer Relationship Management (“CRM”) system—used to record notes relating to client accounts—nor the customized financial planning materials prepared for the client documents that Respondent or his colleague explained the risks involved in selling in the money covered calls (DEC Book at 267-71; Respondent’s Supplemental Submission (CRM notes from 2018-2021 and financial plan deliverables from 2019-2020).)

On September 18, 2018, the client executed an acknowledgement form and an options account agreement, commencing the covered call strategy. (DEC Book at 338-44.)

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E. Execution of the Strategy and the Client's Losses

Starting in April 2019, while Respondent continued to serve as the client's relationship manager, the covered call strategy diverged from how it was initially presented to the client. (DEC Book at 367.) Most prominently, covered calls were being written with a strike price of \$88, \$90, and \$96, while the underlying stock traded at more than \$100 a share. (*Id.*) These in the money covered calls had an 80%-100% chance of expiring in the money—with an automatic exercise (assignment) of the options upon expiration—distinctly different from the stated goal of selling options with an approximately 70% chance of expiring out of the money. (*Id.*)

Starting in January 2020, the client's options were so deep in the money that trade expirations were extended from the proposed target of 35-50 days to durations of two to three times that. (*Id.*) For example, options traded on January 17, 2020, expired 119 days later, and options traded on July 21, 2020, expired 176 days later. (*Id.*)

Many of the client's in the money call options were assigned, resulting in more than 159,000 shares of the client's underlying stock being "called away" from his account. (DEC Book at 162.) Each time this occurred, the shares had to be repurchased for the client at the current market price. (*Id.*) In many cases, remaining in the money options positions had to be closed (bought back) to avoid further assignment and loss of shares, causing the client to incur additional costs. (*Id.*)

Again, neither the CRM nor the financial planning materials prepared for the client reflects Respondent's disclosure or explanation of the changes in strategy to the client. (DEC Book at 267-71; Respondent's Supplemental Submission (CRM Notes from 2018 and 2021 and financial plan deliverables from 2019-2020).)

In August 2020, Respondent brought in another colleague from his firm to be the lead planner on the client's account. (DEC Book at 368.) After reviewing the firm's CRM, the newly assigned planner wrote an email to himself, documenting that "there is a \$9.5 million loss on the call options" and "I found no documentation of why this strategy was implemented, or see any notes specific to the client's desire/need for this strategy." (*Id.* at 163, 368.) In another email sent after a call with the client, the same individual wrote, "it is my impression that [the client] had very little understanding of his capped upside prior to this discussion" and "I feel like on this call it was incumbent on me to explain the strategy to him." (*Id.* at 163-64, 368-69.)

Only in September 2020, two years after the covered call strategy was implemented in the client's account, did Respondent first enter a note in the firm's CRM system documenting his recollection of an earlier interaction with the client regarding the client's understanding of the strategy. (DEC Book at 164, 369.)

The covered call strategy resulted in the client incurring approximately \$10 million in options losses, an amount partially offset by the client accruing approximately \$5 million in tax benefits. (Tr. at 52, 220.)

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Respondent was aware of how his client's account was performing, including the significant decrease in its overall value due to the covered call strategy. He participated directly in many calls his firm held with the client and was otherwise kept apprised of the account over the course of the relationship. (Tr. at 219-28.)

F. Respondent's Hearing Presentation

Respondent does not meaningfully challenge the foregoing facts but argues instead that his role and responsibilities were limited—*i.e.*, that he was not in charge of options strategies or engaged in options trading; that he did not prepare the materials showing examples of how options performed at different price levels.

Respondent testified that it was not his job to “verbally explain [the] intricacies and risks of selling in the money covered calls” or monitor the status of the options strategy's implementation. (Tr. at 176-77.) He says those responsibilities belonged to the director with the firm's complex strategies group. (*Id.*) Respondent acknowledges, however, that he should have asked more questions about the status of the covered call strategy and not simply accepted representations from the director and the client that everything was fine. (*Id.* at 202.) He also acknowledges that if the client was not as “sophisticated,” he (Respondent) would “probably be in all the meetings and . . . making sure everything is cracking.” (*Id.* at 210-11.)

No individuals were formally named as respondents in the JAMS arbitration against the firm, but the detailed arbitration award offers persuasive evidence of the material role Respondent played in introducing his client to the covered client strategy and in allowing the client to continue with it as it evolved. The Commission does not find that Respondent made the reasonable efforts necessary to communicate with his client about the strategy so that the client could make an informed decision and understand how it might impact the client's ability to meet his goals.

Regarding Respondent's June 2018 solicitation email telling the client that his firm had “more tools available than any other firm in the industry” (DEC Book at 138), Respondent testified that the “tools” he was referring to are his firm's ability to provide an array of in-house offerings. (Tr. at 188.) He says that, at the time, other firms did not have such in-house offerings. (*Id.* at 188-89.)

Respondent testified that the 40-50% margin rate quoted to him by the director in the complex strategies group on June 21, 2018, was derived from the broker-dealer's compliance guidelines. (*Id.* 195-96.) On a subsequent call, Respondent urged the director to ask the broker-dealer to increase the rate to 55%. (*Id.* at 196.) The director did so, and the request was approved, but the discussion and approval were never documented in an email. (*Id.*)

Respondent testified that he did not “document every single thing we talk to clients about,” and did not document anything tied to options because that was not his role in the relationship. (*Id.* at 226.) Even though he served as relationship manager and is identified in the CRM as the “original implementer and advisor of the strategy” (Respondent's Supplemental Submission (CRM note dated December 1, 2020)), Respondent says that he expected the director in the complex strategies

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group to document the approximately two-dozen calls held with the client regarding the covered call strategy. (*Id.* at 228-29, 240.)

III. DISCUSSION

To impose a sanction on Respondent, the Commission must find grounds for a sanction. The Commission found grounds for a sanction based on Respondent's violations of CFP Board's *Rules of Conduct*.

Respondent was a CFP® professional at all times relevant to these violations, and the client described above was his financial planning client.

First Ground for Sanction

Rule 1.4 of the *Rules of Conduct* states that a certificant shall at all times place the interest of the client ahead of his or her own. When the certificant provides financial planning or material elements of financial planning, the certificant owes to the client the duty of care of a fiduciary as defined by CFP Board, to include acting in utmost good faith, in a manner he reasonably believes to be in the best interest of the client.

To meet his fiduciary obligation under Rule 1.4, Respondent also must comply with Practice Standard 400-3 of the Financial Planning Practice Standards ("Practice Standards"). Practice Standard 400-3 states that the financial planning practitioner shall communicate the recommendation in a manner and to an extent reasonably necessary to assist the client in making an informed decision. Further, the practitioner shall make a reasonable effort to assist the client in understanding the client's current situation, the recommendation itself, and its impact on the ability to meet the client's goals, needs, and priorities.

The preponderance of evidence establishes that Respondent violated Rule 1.4 and Practice Standard 400-3 when he recommended that his client pursue a covered call strategy without properly explaining the strategy or making sure the client fully understood the associated risks.

In the arbitration award against Respondent's firm, the arbitrator determined based on evidence presented during a nine-day hearing that Respondent failed to disclose the nature of the covered call strategy and its financial impacts. (DEC Book at 170.) Respondent has not offered evidence that meaningfully rebuts this.

Respondent admits that, although he served as his client's "relationship manager" and his client had no prior experience with covered calls or options trading, Respondent did not verbally explain the intricacies and risks of selling in the money covered calls. (Tr. at 176-77.) Respondent admits that he should have asked more questions of the client and his colleague in the complex strategies group to confirm that "everything's okay." (*Id.* at 202.) He admits that he would have been more directly involved if he perceived the client as being less "sophisticated." (*Id.* at 210-11.)

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Though he seeks to minimize his responsibilities, Respondent did not make reasonable efforts to communicate with his client about the covered call option strategy so that the client could make an informed decision about pursuing it, and so that the client understood the strategies' potential impact on the client's ability to meet his goals.

Therefore, there are grounds to sanction Respondent for a violation of Rule 1.4 of the *Rules of Conduct*.

Second Ground for Sanction

Rule 4.5 of the *Rules of Conduct* states that, in addition to the requirements of Rule 1.4, a certificant shall make and/or implement only recommendations that are suitable for the client.⁵ Respondent violated Rule 4.5 by recommending a covered call strategy that was unsuitable for his client.

At the outset of his relationship with the client, Respondent approached a director with his firm's complex strategies group inquiring if they could "run" an options strategy involving his prospective client's concentrated stock position, and Respondent later confirmed with the client that he was a "great candidate for a covered call strategy." (DEC Book at 365.) Respondent participated in presenting the covered call options strategy to the client, is identified in the CRM as "the original implementer and advisor of the strategy," and was aware of its performance over the course of the relationship. (DEC Book at 159, 366; Tr. at 219-27; (Respondent's Supplemental Submission (CRM note dated December 1, 2020)).)

The covered call strategy was incongruent with his client's investment objectives of growth and capital conservation. (DEC Book at 341, 365-66.) Although Respondent's client was able to maintain the number of shares he held in his concentrated stock position, the covered call strategy involved options assignments resulting in the sale (and necessary repurchase) of a significant portion of that stock, capped the growth in his portfolio, and ultimately resulted in losses. (*Id.* at 170-71, 190-91.)

Therefore, there are grounds to sanction Respondent for a violation of Rule 4.5 of the *Rules of Conduct*.

⁵ Under the suitability standard set forth in FINRA Rule 2111, "a member or an associated person must have a reasonable basis to believe that a recommended transaction or investment strategy involving a security or securities is suitable for the customer, based on the information obtained through the reasonable diligence of the member or associated person to ascertain the customer's investment profile. A customer's investment profile includes, but is not limited to, the customer's age, other investments, financial situation and needs, tax status, investment objectives, investment experience, investment time horizon, liquidity needs, risk tolerance, and any other information the customer may disclose to the member or associated person in connection with such recommendation." FINRA Rule 2111 is available at <https://www.finra.org/rules-guidance/rulebooks/finra-rules/2111>.

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Third Ground for Sanction

Rule 2.1 of the *Rules of Conduct* states that a certificant shall not communicate, directly or indirectly, to clients or prospective clients any false or misleading information directly or indirectly related to the certificant's professional qualifications or services. A certificant shall not mislead any parties about the potential benefits of the certificant's service. A certificant shall not fail to disclose or otherwise omit facts where that disclosure is necessary to avoid misleading clients.

Enforcement Counsel has not demonstrated by a preponderance of evidence that Respondent made false or misleading statements regarding his and his firm's capabilities or ability to secure a 55% margin rate.

As credibly explained during the hearing, Respondent's June 2018 representation to the client that the firm had "more tools available than any other firm in the industry" was supported by the array of in-house services that his firm offered at that time. (DEC Book at 138; Tr. 188-89.) Further, Respondent had secured prior authorization from the broker-dealer in offering a 55% margin rate to the client, above the 40-50% rate initially quoted. (Tr. 195-96.)

Therefore, there are no grounds to sanction Respondent for a violation of Rule 2.1 of the *Rules of Conduct*.

Fourth Ground for Sanction

Rule 6.5 of the *Rules of Conduct* states that a certificant shall not engage in conduct which reflects adversely on his integrity or fitness as a certificant, upon the CFP® marks, or upon the profession.

Respondent was not relieved of his duties to act with integrity and fitness as a CFP® professional when he referred his client to a colleague in his firm's complex strategies group. Respondent's failure to fully explain to his client the intricacies and potential impact of the covered call strategy, to document conversations he had with his client about the strategy, to monitor the strategy, and to communicate appropriately with his client about its performance reflect adversely on his fitness and integrity.

Therefore, there are grounds to sanction Respondent for a violation of Rule 6.5 of the *Rules of Conduct*.

IV. THE COMMISSION'S DECISION

CFP Board has issued non-binding *Sanction Guidelines* intended to serve as guidance for determining appropriate sanctions. The Commission has considered the following categories of conduct (and recommended sanction) from the *Sanction Guidelines*:

Conduct 5: Breach of Fiduciary Duty (Suspension for at least one year and one day)

Conduct 11: Diligence (Private Censure)

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Conduct 31: Suitability Violation (Suspension for one year)

The Commission finds the following factors to be aggravating here:

1. Despite Respondent's extensive experience in the industry, he could not provide documentation to substantiate the rationale for recommending the covered call strategy to his client, that he monitored the strategy, or that he updated the client as the strategy evolved.
2. All of the conduct for which the JAMS arbitrator found Respondent's firm liable to Respondent's client occurred while Respondent served as the firm's "relationship manager" to the client.

The Commission found no mitigating factors.

The Commission has also consulted Case Histories⁶ for persuasive non-binding precedent. Case Histories suggest that a multi-year suspension is appropriate where a certificant makes unsuitable recommendations to a financial planning client. *See* ACH 25732 (2013, citing Conduct 31 and imposing a three-year suspension); ACH 20996 (2012, finding respondent recommended an unsuitable strategy and imposing a two-year suspension); ACH 26476 (2013, *id.*).

In consideration of the violations found, the aggravating factors and lack of mitigating factors, the Commission issues this Order imposing a **Suspension of Two Years and Two Days** on Respondent.

SO ORDERED

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CFP Board
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⁶ Case Histories (referred to as "ACHs" or "CHs") are available on CFP Board's website at <https://www.cfp.net/ethics/enforcement/case-history>