

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

In the Matter of

Sanford A. Schmidt,

Respondent.

CFP Board Case No. 2024-65815

November 10, 2025

ADMINISTRATIVE ORDER OF REVOCATION

On September 10, 2025, Enforcement Counsel for Certified Financial Planner Board of Standards, Inc. (“CFP Board”) filed a motion under Article 4.2 of the *Procedural Rules* (“Motion” or “Mot.”) requesting that Counsel for CFP Board’s Disciplinary and Ethics Commission (“Commission” or “DEC”) issue an Administrative Order that revokes Respondent’s CFP® certification. No hearing on the motion was requested, and Respondent did not file a response to the Motion. (Mot. at 1.)

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

I. BACKGROUND

Respondent became a CFP® professional in March 1990 and has been certified since that date. (*Id.*)

A. Investigation

On March 27, 2024, Enforcement Counsel issued a Notice of Investigation (NOI) to Respondent regarding a customer complaint and a civil lawsuit filed in Illinois state court on February 1, 2024, alleging fraud, deception, and misrepresentation related to Respondent’s recommendation to his clients to invest in interest-bearing notes issued by a film production company that subsequently misused and lost those funds in the course of a Ponzi scheme. (Mot., Ex. 1 at 85-86, 88-89, 104-12, 271.) Respondent settled the lawsuit, agreeing to cede the right to the proceeds of a \$60 million insurance policy to his clients. (*Id.* at 184, 221-41.)

On April 30, 2024, Enforcement Counsel served Respondent with a second NOI. (*Id.* at 266.)

Enforcement counsel states that Respondent initially cooperated with the investigation to a limited degree. (Mot. at 2.)

On September 25, 2024, Enforcement Counsel requested additional documents and information, including Respondent’s due diligence files on the film production company. (*Id.* at 267, 271.)

Enforcement Counsel states that Respondent did not provide complete responses to several of the requests. (*Id.* at 271.) Enforcement Counsel also represents that, on January 15, 2025, Respondent’s counsel stated that Respondent was unable to comply with CFP Board’s request for information at that time because of pending investigations by the Securities and Exchange Commission and the U.S. Department of Justice. (*Id.*)

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On February 3, 2025, Enforcement Counsel served Respondent with a Notice of Failure to Cooperate. (*Id.* at 271.)

Enforcement Counsel states that, after the issuance of the Notice of Failure to Cooperate, Respondent supplemented his response with additional documents, including the due diligence files. (Mot. at 3.)

Enforcement Counsel asserts that the due diligence files indicate that Respondent did not reasonably investigate lawsuits and claims made against the film production company that were publicly known at the time Respondent made his investment recommendation to his clients. (Mot. at 3.) Enforcement Counsel states that, due to Enforcement Counsel's concerns about Respondent's potential breaches of his fiduciary duty, it sought to obtain sworn testimony from Respondent and attempted to find a mutually convenient date for testimony. (*Id.*) Enforcement Counsel states that Respondent declined to provide any dates. (Mot. at 3.)

On July 1, 2025, Enforcement Counsel reminded Respondent of his duty to cooperate with the investigation, including his obligation to appear for an oral examination, and advised that Respondent's failure to appear at the examination would constitute as a default and lead to an administrative sanction, likely a revocation. (Mot., Ex. 1 at 282.) Enforcement Counsel states that Respondent did not respond to the July 1, 2025 communication. (Mot. at 4.)

On July 8, 2025, Enforcement Counsel served Respondent with a request for additional information and a notice of oral examination, scheduling the examination for August 19, 2025. (Mot., Ex. 1 at 273, 279.)

That same day, Respondent's counsel notified Enforcement Counsel via email that Respondent declined to cooperate further and "voluntarily" surrendered his CFP® certification. (*Id.* at 263-64.)

On July 9, 2025, Enforcement Counsel served Respondent with a Zoom meeting invitation for Respondent's oral examination on August 19, 2025. (*Id.* at 280-81.) Later that day, Respondent's counsel sent Enforcement Counsel an email stating that Respondent "surrenders" his certification and "will no longer participate in the captioned CFP Board Matter." (*Id.* at 280.) Enforcement Counsel responded the same day, stating that Respondent's failure to appear for his scheduled oral examination would result in Enforcement Counsel moving for an administrative suspension or revocation. (*Id.* at 285.)

On August 19, 2025, Respondent did not appear for his scheduled testimony. (*Id.* at 299-301.)

Enforcement Counsel filed its Motion on September 10, 2025. (Mot. at 7.)

B. Motion

Enforcement Counsel asserts in its Motion that Respondent is in default under Article 4.1.b of the *Procedural Rules* because the July 8 and 9, 2025 emails from Respondent's counsel (stating that Respondent would voluntarily surrender his CFP® certification rather than appear to testify) and Respondent's failure to appear for his duly noticed August 19, 2025 oral examination indicated Respondent's clear intention to cease participation in CFP Board's investigation. (Mot. at 5.)

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In the Motion, Enforcement Counsel asserts that Respondent’s conduct—involving alleged untrue and negligent statements inducing his clients to invest in a film production company that led to approximately \$75 million in investment losses, his failure to conduct adequate due diligence to uncover the alleged Ponzi scheme being run by the film production company, and his alleged unjust enrichment from those client investments—may have violated Standard A.1.b of CFP Board’s *Code of Ethics and Standards of Conduct* by failing to act with the care, skill, prudence, and diligence that a prudent professional would exercise in light of the client’s goals, risk tolerance, objectives, and financial and personal circumstances. (Mot. at 6.) Enforcement Counsel states that the seriousness, scope, and harmfulness of the conduct warrant an administrative order of revocation. (*Id.*)

II. DISCUSSION

If Respondent indicates a clear intention not to participate or to cease participation in a CFP Board investigation, then the Respondent is in default under Article 4.1 of the *Procedural Rules*.

Enforcement Counsel’s Motion states with reasonable particularity the grounds for Respondent’s default, as required by Article 4.2 of the *Procedural Rules*. On July 8 and 9, 2025, Respondent’s counsel told Enforcement Counsel that Respondent does not intend to continue participating in the investigation, and on August 19, 2025, Respondent did not appear for his duly noticed oral examination.

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*.

III. CONCLUSION

DEC Counsel **GRANTS** the Motion and issues this **Administrative Order of Revocation** against Respondent (“Order”). This Order revokes Respondent’s Certification and Trademark License and permanently prohibits Respondent from applying for or obtaining CFP Board certification.

IV. COMPLIANCE WITH ORDER

Under 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 **December 26, 2025**, written evidence that Respondent:

- **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*; and
- **Has advised all Clients**¹ 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* (see <http://www.cfp.net/verify>).

¹ Respondent must notify all clients as the term “Client” is defined in the Glossary to CFP Board’s Code and Standards, available at <https://www.cfp.net/ethics/code-of-ethics-and-standards-of-conduct>.

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Under Article 11.3 of the *Procedural Rules*, Respondent is required to submit to Enforcement Counsel, within 45 calendar days of issuance of this Order, or by **December 26, 2025**, 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.

SO ORDERED

Counsel to the Disciplinary and Ethics Commission
Date: November 10, 2025