

THE DISCIPLINARY AND ETHICS COMMISSION

In the Matter of

John Mulka

Respondent.

CFP Board Case No. 2025-67180

July 27, 2026

ORDER

CFP Board established the *Fitness Standards for Candidates for CFP® Certification and Former CFP® Professionals Seeking Reinstatement* (“*Fitness Standards*”) to ensure that an individual’s prior conduct does not reflect adversely upon their fitness for CFP® certification, the profession, or the CFP® certification marks.

I. PROCEDURAL HISTORY

In connection with the application for CFP® certification Respondent submitted on March 18, 2025, CFP Board learned that that Respondent filed for bankruptcy in 2012 and 2019. CFP Board informed Respondent by letter dated September 5, 2025, that under the *Fitness Standards*, the bankruptcy filings required that he petition CFP Board’s Disciplinary and Ethics Commission (“DEC” or “Commission”) for a determination of his fitness for CFP® certification. (DEC Book at 5-6.)

Respondent filed his Petition for a Fitness Determination (“Petition”) on October 9, 2025. (*Id.* at 587-703.)

On March 13, 2026, a hearing panel formed under Article 10.6 of the *Procedural Rules* convened by videoconference to consider Respondent’s Petition. (Transcript of Hearing of John Mulka, March 13, 2026 (“Tr.”) at 1.) DEC Counsel appeared for the Commission and for the hearing panel, Enforcement Counsel appeared by video for CFP Board, and Respondent appeared by video.

The Commission has considered the hearing panel’s recommendation and issues this final Order.

II. FINDINGS OF FACT

A. 2012 Chapter 7 Bankruptcy

On September 7, 2012, Respondent filed for Chapter 7 bankruptcy protections in United States Bankruptcy Court for the Northern District of Ohio. The filing lists approximately \$88,000 in assets and \$53,000 in liabilities. On January 2, 2013, the bankruptcy court entered an order discharging Respondent’s debts. (DEC Book at 58-104.)

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B. 2016 and 2017 Credit Compromises

Public records show that beginning in 2016, Respondent reached compromises with several creditors. In his September 1, 2016 compromise with Synchrony Bank / Walmart, Respondent paid \$700 in lieu of the \$1,436 he owed. In his October 1, 2016 compromise with First Premier Bank, he paid \$300 in lieu of the \$661 he owed. In his December 1, 2016 compromise with Kohls / Capital One, he paid \$1,100 in lieu of the \$2,943 he owed. And in his October 1, 2017 compromise with Bank of America, Respondent paid \$273 in lieu of the \$782 he owed. (*Id.* at 31-33.)

C. 2019 Chapter 13 Bankruptcy

On March 6, 2019, Respondent filed a Chapter 13 Bankruptcy petition in the bankruptcy court. The filing lists \$175,668 in assets (\$170,000 representing the value of Respondent's home) and \$456,934 in liabilities. The filing lists \$221,823 in secured creditor claims, including \$170,000 of an approximately \$185,000 mortgage loan, and several claims held by creditors with judgment liens on his home arising out of lawsuits. The filing lists approximately \$235,000 in *unsecured* creditor claims, approximately \$194,000 of that amount comprised of student loans. (*Id.* at 105-72.)

On July 22, 2019, the bankruptcy court entered an order confirming a Chapter 13 Bankruptcy Plan requiring Respondent to pay \$2,378 per month to the Chapter 13 Trustee until all amounts owed under the Plan were paid. (*Id.* at 173-75.) On January 4, 2022, the bankruptcy court entered an order increasing Respondent's monthly payment by \$260 and requiring that Respondent make a \$2,000 lump sum payment to address a \$8,971 payment delinquency that had accumulated through October 2021. (*Id.* at 176-78.)

On August 7, 2024, the bankruptcy court entered an order discharging approximately \$62,853 of Respondent's unsecured debt. According to the Chapter 13 Standing Trustee's Final Report and Account, Respondent paid \$144,108 under his Chapter 13 plan. (*Id.* at 179-83.) Through his Chapter 13 bankruptcy filing, Respondent was able to avoid the several judgment liens secured creditors held on his property. (*Id.* at 184-97.)

D. Other Evidence Presented

In his Response to Enforcement staff's investigation and in his Petition, Respondent explains that his bankruptcy filings arose from traumatic personal and family circumstances. He describes disturbing circumstances from 2010 involving his stepchildren and their biological father that led him to spend his savings and take on substantial debt so that he and his wife (their mother) could fight for child custody. Respondent says that when "the dust settled," his savings were depleted and he had "a mountain of credit card debt" from attorneys' fees and other costs. He says that he opted to file for Chapter 7 bankruptcy in 2012 after consulting with his attorney. (*Id.* at 47-51.)

Respondent says that his Chapter 13 bankruptcy filing followed a period of several months he was not working so that he could take care of his family and focus on his spouse who was confronted with serious medical issues and another traumatic event. Household expenses and bills continued

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to accrue, Respondent says, and he and his wife faced a potential foreclosure on their house. According to Respondent, they filed for Chapter 13 bankruptcy to avoid losing their home. (*Id.* at 47-51.)

Respondent testified that the bankruptcies reflect difficult chapters in his life and that he takes responsibility for them. He testified that, during the periods leading to the filings, he lacked the systems, discipline, perspective, and financial literacy that he has since developed, and that the decisions he made were driven by fear, heightened emotion, and a lack of education. (Tr. at 11-13, 17-20.)

Respondent has passed the CFP® exam and is pursuing a graduate degree in financial planning and behavioral finance and New York University. He testified that he currently leads the financial planning department at his firm, a role that requires him to collaborate with advisors in delivering fiduciary planning services to a large client base. (Tr. at 13, 26-28, 49-50.)

Respondent submitted positive letters of support from professionals who say they know his work and character, including a professor and mentor in his graduate program, the CEO of his firm, and another educator in financial counseling. Respondent testified that these individuals provide professional validation of his fitness for CFP® certification and that some also serve as sources of accountability and guidance. (DEC Book at 587-703; Tr. at 27-28, 41-42.)

Respondent's current financial circumstances are constrained. He testified that, since his Chapter 13 bankruptcy, he has sold his home, used the proceeds to pay off auto loans, and now rents a residence. (Tr. at 35-39.) Respondent's April 2025 response to Enforcement staff's notice of investigation states that his debt-to-income ratio has decreased to approximately 40%. (DEC Book at 47-57.) Respondent confirmed at the hearing that this 40% of income he pays toward his loans does not include student debt, as his student loans are deferred in a "pay-as-you-earn" repayment plan. (Tr. at 34-36.) As of October 2025, his liabilities (all of it student loans) were more than six times higher than his assets, reflecting a sizable negative net worth. (DEC Book at 615-16.)

Asked why he chose to add to his student loan debt by pursuing a graduate degree, Respondent testified that his education has changed the way he understands and works with clients and has allowed him to develop professionally, citing his advancement at his current firm to leading the financial planning department. Respondent says that the education combined with the professional experience he is getting will allow him to earn more income down the road. (Tr. At 39-40.)

Respondent says that his household currently has positive monthly cash flow. Enforcement counsel noted, however, that once Respondent begins to pay his student loans, he may have only a thin margin for error if unexpected expenses, unemployment, or disability occur. (Tr. at 36, 55-56, 65.) Respondent testified that he contributes approximately 5% toward an emergency reserve fund but acknowledged that his current savings pace is below the amount projected in the financial plan he submitted with his Petition. (DEC Book at 628; Tr. at 43-47.)

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Respondent says that the experiences reflected in his record have changed the way he approaches his personal finances and professional responsibilities. He says that he now relies on a structured budget, emergency reserves, proactive planning, cash-flow management, and behavioral awareness to avoid repeating the financial decisions that led to his bankruptcy filings. (Tr. at 22-26, 31-33.)

III. ANALYSIS OF RESPONDENT'S PETITION

The *Fitness Standards* establishes parity between applicants and current CFP® professionals by applying the *Sanction Guidelines* uniformly to both. In resolving a petition for fitness determination, the Commission evaluates the applicant's conduct against the sanction guideline for the relevant conduct in the *Sanction Guidelines*, considering the aggravating and mitigating factors and policy notes, to determine what the sanction would be if the candidate were a CFP® professional, and then issues the analogous fitness determination.

Respondent has twice filed for personal bankruptcy. Under Standard E.2 of CFP Board's *Code of Ethics and Standards of Conduct*, a personal bankruptcy filing is conduct that reflects adversely on a CFP® professional's integrity or fitness as a CFP® professional, unless the CFP® professional can rebut the presumption that the bankruptcy demonstrates an inability to manage their financial affairs responsibly. Respondent has not rebutted this presumption, though he has offered compelling evidence explaining the circumstances surrounding his two bankruptcies.

In determining an appropriate sanction, it is the Commission's general practice to apply the *Sanction Guidelines* in place at the time of the conduct at issue. The *Sanctions Guidelines* in place in 2019, the year of Respondent's most recent bankruptcy filing, list a revocation as the recommended baseline sanction for a CFP® professional who has filed two or more bankruptcies.

The Commission has found no aggravating factors here. The Commission finds the following factors to be mitigating.

1. A significant amount of time has passed since Respondent's most recent bankruptcy filing.
2. Both of Respondent's bankruptcy filings arose out of catastrophic circumstances involving his family that were outside of Respondent's control.
3. Respondent has acknowledged his misconduct.
4. No client was harmed by Respondent's conduct.

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The Commission has also consulted the CFP Board Case Histories¹ database for cases involving facts similar to those present here. The Commission finds CH 46512 (2025) particularly instructive in arriving at an appropriate sanction. There, the Commission denied the candidate's petition for CFP® certification and barred him from applying for two years where the candidate had two bankruptcies, the most recent in 2024. The Commission acknowledged that circumstances outside of the candidate's control (COVID-19) played a significant role in the most recent filing (the earlier one occurring in 2001) and noted the progress he was making to improve his financial circumstances.

Significantly more time has passed since Respondent's more recent bankruptcy filing, though Respondent's two bankruptcies occurred within a much shorter period of time. The Commission would like to see how Respondent incorporates his student loan repayments into his ongoing financial improvement before concluding that he is fit for CFP® certification.

IV. FITNESS DETERMINATION

For the reasons above, the Commission would find it appropriate to mitigate down from the baseline sanction of a revocation and suspend Respondent for two years were he a CFP® professional. Under the *Fitness Standards*, the analogous fitness determination is to issue a temporary bar for the same amount of time. A temporary bar is a period in which a Respondent who currently is not a CFP® professional is prohibited from applying for or obtaining CFP® certification.

Respondent has not met his burden to satisfy the *Fitness Standards* for CFP® certification. The Commission therefore **DENIES** Respondent's Petition and imposes a **Temporary Bar for Two Years**. In connection with any future petition Respondent files, the Commission would ask that Respondent include detailed information reflecting his cash flow (including loan payments and savings) for the two most recent years and projected cash flow for the next year.

SO ORDERED

CFP Board's Disciplinary and Ethics Commission
July 27, 2026

¹ Case Histories (referred to as "CHs" or "ACHs") are available on CFP Board's website at <https://www.cfp.net/ethics/enforcement/case-history>. Case Histories are non-binding decisions involving unique sets of facts that may provide guidance in determining a sanction.