

## COMMENTS ON CFP BOARD'S PROPOSED REVISIONS TO THE SANCTION GUIDELINES AND PROCEDURAL RULES

CFP Board accepted public comments on proposed revisions to the *Sanction Guidelines* and *Procedural Rules*. The comment period ran July 28-September 21, 2021. The comments received are posted below.

| Name of Commenter                                   | Date Submitted     | Comment   |
|---|--------------------|---|
| Craig Waugh on behalf of the FPA of Greater Phoenix | September 21, 2021 | FPA of Greater Phoenix's comments may be found at the following link:<br><a href="https://www.cfp.net/-/media/files/cfp-board/standards-and-ethics/enforcement/2021-Comments-on-Sanction-Guidelines-and-Procedural-Rules//FPA-of-Phoenix-Comment.PDF">https://www.cfp.net/-/media/files/cfp-board/standards-and-ethics/enforcement/2021-Comments-on-Sanction-Guidelines-and-Procedural-Rules//FPA-of-Phoenix-Comment.PDF</a>  |
| Melissa Kemp, CFP®                                  | September 21, 2021 | The default to Public Censure over Private Censure, with fairly restrictive language regarding what situations would sway action back to supporting a private censure, seems harsher than needed to be an effective incentive to report and deterrent to non-reporting. Greater emphasis on education about What is a Reportable Event? - with consistent messaging to CFP professionals across the entire CFP Board staff about the spirit, intent, and details on this standard - ahead of such a change in sanction default from private censure to public censure would suit my sense of "fairness". I realize this is simply an expressed opinion. Consideration: When viewed in light of the CFP Boards' expanded Duty to Communicate with clients in a manner and format that they are reasonably expected to understand, additional efforts by the CFP Board to add clarity, consistency, and ease of reference when practitioners move through the online license renewal and answer the declarations would be an excellent start to "leadership by example". EG: Use larger fonts, minimize or explain the legalese, add easy hyper links to legal and technical definitions and references as they are used, allow a "save" of an incomplete renewal submission while a professional considers any items under the Reportable Events list before continuing may make it easier to comply in good faith, and less likely that a rushed renewal at month end, or older eyes and/or a blurry screen might become the source of an inadvertent (but yes, avoidable) error. On a very granular level, within the changes proposed in the Redline version of Rule 16: I think there is a technical error in this section – they refer to the Material Elements |

# CFP BOARD

CERTIFIED FINANCIAL PLANNER BOARD OF STANDARDS, INC.

|  |                    |   |
|--|--------------------|---|
|  |                    | <p>rather than the Integration Factors in Rules of Conduct 1.3. In general, my opinion that these transgressions are moving to a default of Public Censure with a burden of proof falling on the CFP Professional to argue for a lesser censure is a bit of a remaining knee jerk reaction to the WSJ article and the black eye the CFP Board is attempting to recover from. Over the next few years, perhaps continue the exceptional work currently taking place to invest consistently in resources, trainings, discussion, and forms (engagement and scope of service, privacy policy, disclosures, Case Histories under the new rules), and clearer examples before moving into more Public Censure as the default sanction for failures under the Duty to Report.</p> |
| Kevin Carroll on behalf of the Securities Industry and Financial Markets Association (SIFMA) | September 21, 2021 | <p>SIFMA's comments may be found at the following link:<br/> <a href="https://www.cfp.net/-/media/files/cfp-board/standards-and-ethics/enforcement/2021-Comments-on-Sanction-Guidelines-and-Procedural-Rules/SIFMA-Comments.pdf">https://www.cfp.net/-/media/files/cfp-board/standards-and-ethics/enforcement/2021-Comments-on-Sanction-Guidelines-and-Procedural-Rules/SIFMA-Comments.pdf</a></p>  |
| Josephine Colacci on behalf of the Financial Planning Association (FPA)                      | September 21, 2021 | <p>FPA's comments may be found at the following link:<br/> <a href="https://www.cfp.net/-/media/files/cfp-board/standards-and-ethics/enforcement/2021-Comments-on-Sanction-Guidelines-and-Procedural-Rules/FPA-Comments.pdf">https://www.cfp.net/-/media/files/cfp-board/standards-and-ethics/enforcement/2021-Comments-on-Sanction-Guidelines-and-Procedural-Rules/FPA-Comments.pdf</a></p>  |
| Geoffrey Brown on behalf of the National Association of Personal Financial Advisors (NAPFA)  | September 21, 2021 | <p>NAPFA's comments may be found at the following link:<br/> <a href="https://www.cfp.net/-/media/files/cfp-board/standards-and-ethics/enforcement/2021-Comments-on-Sanction-Guidelines-and-Procedural-Rules/NAPFA-Comments.pdf">https://www.cfp.net/-/media/files/cfp-board/standards-and-ethics/enforcement/2021-Comments-on-Sanction-Guidelines-and-Procedural-Rules/NAPFA-Comments.pdf</a></p>  |
| Michael Brookbank, CFP®  | September 10, 2021 | <p>Why the need for these proposed changes? Has there been an increase in violations? Do we have a problem? Without justification, I do not support the proposed changes.</p>   |
| Zachary Brody, CFP®  | September 9, 2021  | <p>I believe that timely reporting on Form U4 should also satisfy the reporting requirement to the CFP(r) Board. Some CFP(r) certificate holders who are not overseen by an SRO (Self Regulatory Organization), or the equivalent of such, should be required to timely report to the Board. The SRO itself has sanctions for failing to report a U4 amendment. With that said, if the licensee fails to report to the CFP(r) Board or SRO within a timely manner, there should be a penalty imposed. (e.g., CFP(r) holder John Smith, who is not a RR failed to report to the CFP(r) Board event XYZ within the time parameters, sections (including monetary sanctions) should be acceptable). Thanks for taking the time to read my comments.</p>                        |

# CFP BOARD

CERTIFIED FINANCIAL PLANNER BOARD OF STANDARDS, INC.

|                       |                   |  |
|-----------------------|-------------------|--|
| Joseph D'Orazio, CFP® | September 9, 2021 | There's no need for the public censure, particularly since there could be extenuating circumstances for the failure to comply. Absent a Board review prior to Public Censure turns "due process" upside down.  |
| David Weigel, CFP®    | September 9, 2021 | Ethics should be vigorously enforced. However, this needs the thinking power of CFPs... to dig deep enough to be honest.   |
| Scott Holman, CFP®    | September 9, 2021 | Some of these changes should be decided on a case-by-case basis. By providing financial advice to your adolescent child or spouse, then loaning them money for a car, you are in violation. Nearly everything in this rule involves punishing CFP's for even being falsely accused of misconduct and not reporting it on time. Nothing of any positive nature, such as recognition for having no complaints or adverse actions for 10, 20 or 30 years. At least balance these rules with a defense for extenuating circumstances, such as being out of the country on vacation and being unaware the board has made a request requiring and immediate response, etc.   |
| James Evans, CFP®     | September 9, 2021 | With fines and censures, we are now a self-regulated organization. I have no problem with that per se -- but it seems like little attention has been paid to a system of timely due process for the accused. Based on the way current procedures are written anyone could make a complaint of any type without repercussions to themselves -- but the CFP would still have to fully defend. Along the same lines something may occur outside of the CFPs business altogether or perhaps a long dead complaint could re-emerge. Omissions in these types of cases could be perfectly innocent but would or could subject the CFP to public embarrassment. My suggestion would be a filtering system - perhaps regional peer committees whose role would be to filter out frivolous or non-applicable complaints before they entered the record. |
| Jim Dunphy, CFP®      | September 8, 2021 | In my opinion, it would be INFINITELY better to require an annual ethics questionnaire about violations and other status info rather than requiring reporting of issues as they occur. Please review the process used for IRS e-services annual renewals by tax preparers. The renewal process includes a simple yes/no online questionnaire allowing space for a brief narrative explanation. Your focus should be on an annual review and not badgering, sanctioning, admonishing, running hearings, doing investigations, etc. on small, ordinary issues that are part of running a business and keeping up with other financial issues. Rather, the annual review would identify the truly significant issues that could be followed up on if the  |

# CFP BOARD

CERTIFIED FINANCIAL PLANNER BOARD OF STANDARDS, INC.

|                     |                   |   |
|---------------------|-------------------|---|
|                     |                   | narrative did not explain a planned or effected resolution. Continue to be a supportive body, not just another regulatory impediment. Thanks for taking the input.  |
| Curt Weil, CFP®     | September 8, 2021 | While I agree with almost everything proposed, it seems to me that "locking-in" the public censure as the only option deprives the DEC of flexibility; surely there have been or will be cases deserving of only a private censure. Also, I'm troubled about charging a fee for a hearing vs. paying the fee and accepting the censure. Something about having to pay in order to plead my innocence (if true,) seems wrong. Is there a mechanism to refund hearing costs when the complaint is dismissed? All the above said, the proposal is evidence of a lot of careful thought and consideration - thanks to all those involved. |
| Erich Gebbie, CFP®  | September 8, 2021 | I would second the majority of very well stated comments on these proposed changes. Looking for reasons to increase penalties is simply counterproductive, and in my view, certainly doesn't strengthen the CFP brand. For example, to not report an incident, within a certain timeframe, fails to contemplate, potentially, good reasons as to why there might be a delay. If anything it most likely decreases the probability of the incident being reported at all.  |
| Dennis Axman, CFP®  | September 8, 2021 | I believe the CFP Board is more concerned with Disciplinary Actions than Licensure. The supporting efforts of the CFP Board to CFP's seems to be diminishing over the years. Whatever needs to be reported in 30 days on a U4 should in my opinion be satisfactory to the CFP Board as well.  |
| Guil Nergard, CFP®  | September 8, 2021 | I believe very strongly that there should be no censure for inadvertently updating your U4. I believe it is better to have a fine in the \$250-\$500 range, big enough to matter, but not so large to cause financial hardship for smaller planners. Censures should only be used for something serious, not for missing an address update on the U4. There could also be a differing degree of U4 penalties. For example, minor U4 violations like address changes could be fined, where only major errors such as not reporting a complaint above \$15,000 would be censured.   |
| Travis Sickle, CFP® | September 8, 2021 | I do not support sanctions or fines. I would prefer the board to focus on increasing the requirements and improving the curriculum for becoming a CFP. I don't think it's close to where it should be. I feel like the CFP Board's focus is on control and revenue generating activities for the Organization -- which I feel zero reward or benefit. I think most of the communication I have received since I became a CFP has been about revenue and punishment.   |

# CFP BOARD

CERTIFIED FINANCIAL PLANNER BOARD OF STANDARDS, INC.

|                       |                   |  |
|-----------------------|-------------------|--|
| Matthew Pardiek, CFP® | September 8, 2021 | I am not in favor of the changes. I believe time and resources of organization better spent on top notch education and promotion of the mark than discipline and enforcement, which is handled by ever increasing fines/restrictions/disclosures from lawmakers and regulators.  |
| W Charles Pyke, CFP®  | September 8, 2021 | I oppose public censure for failure to disclose. It is too easy to overlook reporting an item that should be disclosed. For example, a licensee could report on the U4 but fail to disclose to the Board. The disclosure had been made but not in the form the Board prefers. If an increase in penalty is needed (which I believe is doubtful), a monetary penalty would be more than sufficient.   |
| Wendy Seale, CFP®     | September 8, 2021 | I agree with the addition of fines for missed deadlines in self-reporting to help offset the cost of enforcement.  |
| Ryan Smith, CFP®      | September 8, 2021 | I don't think there should be any change to shorten window for disclosure. Also, I think if U4 is updated this should also be acknowledgement for CFP board.   |
| Geoffrey White, CFP®  | August 30, 2021   | I appreciate the effort of CFP Board to promote the industry and the delivery of high-quality services. I personally believe that stiffer penalties, including sanctions for late or non-reporting of reportable matters will not yield a greater awareness of the need to self-report. I believe it is sufficient to allow a late reporting incident to weigh in the final disciplinary decision. Monetary penalties, in my opinion, are unnecessary. I hope this is constructive. Thank you again.   |
| Lusha Liu, CFP®       | August 24, 2021   | I oppose any sanction on failure to timely report to CFP board, and believe that timely report to U4 should count as timely report to CFP board. The reason being is, no matter how dedicated we are to service our clients, we cannot control complaints that come with no basis. It's unfortunate enough that we have to spend time dealing with them, writing statements, gathering facts, they also stay on U4 indefinitely even though we have done nothing wrong. Adding another layer of reporting would be fine if CFP is at fault, but a lot of times they are not. I believe it would be better if we report it only if the company finds our at fault, and report to U4 as such. During the investigation, it would only be fair if we consider timely report to u4 is the timely reporting to CFP. And not late fee imposed. Thank you for your understanding. I can be reached for further questions. |
| Bob Rall, CFP®        | August 23, 2021   | I am in favor of an administrative fee for self-reporting violations. I agree that aggravating and mitigating factors should be considered and that a public censure has a lot more teeth that a private censure. I agree with the idea of   |

# CFP BOARD

CERTIFIED FINANCIAL PLANNER BOARD OF STANDARDS, INC.

|                        |                 |  |
|------------------------|-----------------|--|
|                        |                 | allowing an option to choose the public censure in lieu of a hearing.  |
| James Szafranski, CFP® | August 23, 2021 | I like to believe that 99+% of CFP(R) Professionals are doing the right things by their clients both ethically and practically but it seems as though the CFP Board has become far more concerned about the bad apples than anything else in recent years. If the CFP Board doesn't have CFP(R) Professionals backs, then who does? This industry will see a tremendous decline in the number of advisors in the coming years and good advice will become harder and harder to find. The CFP Board should continue to prop up it's advisors through proper (or even more rigorous) CE education, ethics training, and due diligence rather than continuous ways to punish, censor, and fine.   |
| Amanda Oakley, CFP®    | August 16, 2021 | Failure to update your address should not have a fine. We update it ourselves. Could you expand on how it has a cost associated with it for administrative purposes for the tardiness above and beyond if the reporting were on time?  |
| Donald Rice, CFP®      | August 13, 2021 | As a CFP now in my 32nd year, I am appalled by the change in the organization over the years. It seems to me today that the CFP Board is more interested in becoming an Enforcement Organization, rather than the License Organization in the beginning. I long have become distraught with a lot things CFP is doing. At a time when it is difficult to hire qualified CFP's to actually do a Comprehensive Cash Flow Financial Plans, we are more interest in fining or publicly smearing the people that have worked hard to earn the credentials. Shouldn't we give the credentials a little credit over a complaint by Joe public. If it is a critical complaint or situation, then the many enforcement organizations like SEC, FINRA, or my State Organization will take care of the enforcement. Please, go back to training and educating candidates. Encouraging more candidates to become CFPs, and change the testing scheme from trick questions to straight up testing. My Company does not look for CFPs to hire anymore, we look for CPA's. There a lot of credentials a person can collect today and public does not know the difference. <b>START MAKING THE PUBLIC KNOW THE DIFFERENCE.</b> |
| David Mannaioni, CFP®  | August 13, 2021 | The changes look good with one exception and align with the new Ethics CE presentation perfectly. The one exception is in item 19 in the Proposed Revised Sanction Guidelines under Aggravating Factors where items (2), (3), and (4) are identical. It may be that they are referring to different comments, but it is confusing. Great job!  |

# CFP BOARD

CERTIFIED FINANCIAL PLANNER BOARD OF STANDARDS, INC.

|                         |                 |  |
|-------------------------|-----------------|--|
| Louis Hardcastle, CFP®  | August 11, 2021 | I agree and concur with change.  |
| Gordon Achtermann, CFP® | August 10, 2021 | It's about time you have put a few (baby) teeth into the rules.  |
| Andy Jamison, CFP®      | August 10, 2021 | Would we be able to see multiple instances in the past which has created the need for these types of rules? What did prior certificants do that has made the Board decide that rules like these are necessary? I need some context here before I can come up with my opinion. It seems likely that the CFP mark has many holders who have historically paid zero attention to the ethos behind the designation but rather got it only because pundits tell people to use a CFP. The CFP Board is trying to actually make the designation meaningful by rooting out those who don't abide by the intent of the organization.  |
| Timothy Haas, CFP®      | August 10, 2021 | <p>It's possible that a certificant may report "misconduct" after 30 days, yet still report the conduct during their next renewal questionnaire or when the certificant becomes immediately aware of their obligation. Indeed, the board may be the first to inform the certificant of their negligence.</p> <p>The conduct would then be reported, but reported after 30 days - perhaps well-after 30 days. In this case of late reporting, I believe the certificant should be treated with leniency in that they willingly complied as soon as possible, unless they clearly intended to avoid (e.g. evidence: they didn't answer the renewal questionnaire accurately). That intent would be manifest by failing to report even after becoming informed of their negligence or given the opportunity to report at renewal. In this case, I think public censure is too extreme and sanctions seem too severe, as well. Private censure would be appropriate. I find the rules can place certificants in a jam by informing a member of negligence and moving quickly to public censure when a certificant may try to do the right thing by reporting immediately thereafter and, as soon as they're aware. If the incident is not reported, then reasons explaining the mistaken attribution to the member should be heard by the DEC. Mitigating circumstances include health-related challenges in this draft, but I think divorce, death of a child, spouse or business partner, natural disaster destroying one's property and other extreme circumstances may be worthy of similar consideration, as mitigating circumstances. The rules seem to provide no latitude for that, as written. In these cases, reporting after 30 days should be acceptable. Yet still reporting misconduct (e.g. felony, FINRA fines, etc) of this severity is critical to the well-being of the organization.</p> |

# CFP BOARD

CERTIFIED FINANCIAL PLANNER BOARD OF STANDARDS, INC.

|                          |                 |  |
|--------------------------|-----------------|--|
| Vinton Sommerville, CFP® | August 10, 2021 | Hello: I am commenting on the following new language proposed for Section Guidelines, subsection 13. Received notice of a federal tax lien on property owned by the CFP® professional; or 14. Failed to satisfy a non-federal tax lien, judgment lien, or civil judgment within one year of its date of entry, unless payment arrangements have been agreed upon by all parties. My comments: what happens if the CFP® professional is a member of an LLC that owns real property, especially if he/she is not the member manager? The way that you have written paragraphs 13 and 14 is way too broad. It would be unfair for the CFP® professional to have to report a federal tax lien if he/she is a non-managing member of an LLC that owns real estate. Otherwise, your described infraction is really no different than being a shareholder in a publicly traded large C-corporation. Typically, one invests in a LLC to pursue an investment. A non-managing member has little to no control over the actions of the managing member. Yet, under your proposed language, the CFP® professional would have to disclose every negative action (and its result) imposed on the LLC and (most likely) resulting from the actions of the managing member. |
| Cathy Wagner, CFP®       | August 10, 2021 | I question the impetus to initiate an investigation. (IS this to stem from a client complaint?)  |
| LeRoy Isbell, CFP®       | August 10, 2021 | I think that every effort should be made to maintain and uphold the high standards already in place for the CFP designation. The marketing efforts have been very well received by the public and personally, I think that most CFP's have demonstrated their willingness to be governed by our rules of Professional Conduct. I don't think that the CFP board should be moving toward becoming a self-regulatory organization. As financial professionals, we have plenty of regulatory oversight: FINRA, SEC, Broker Check, FCA, CFPB, NASAA, and a host of State Securities and Insurance Departments. As was mentioned, in some of the other comments, The CFP could be using more of their resources to do more toward assisting planners to be better at their professions by providing more opportunity for additional and ongoing training.   |
| David Smith, CFP®        | August 10, 2021 | Dear Board: Having read a number of the comments from others, I would have to agree with those who suggest that the tendency to over-regulate, over punish, and make people's lives miserable, cost them time and money should be resisted. Yes there are a few malefactors who probably shouldn't be representing us as CFP certificants, but we must remember that a super majority are honest, diligent,  |

# CFP BOARD

CERTIFIED FINANCIAL PLANNER BOARD OF STANDARDS, INC.

|                        |                 |  |
|------------------------|-----------------|--|
|                        |                 | <p>hardworking and caring individuals, who don't need to feel like their under a microscope for continuing examination and potential consequences if they forget something, become disabled/ill, like I did, and then be sanctioned or fined by a Professional organization they belong too, who should be helping them become better CFP's and to provide better services and increased wisdom to clients. Our focus shouldn't be dictatorial, or focused on exacting fees or publicly humiliating people. Sanctions should be the last resort for someone who blatantly disregards our standards. If it was an honest mistake, let them go through "diversion training", get back on track and get back to work. Just my 2 cents.</p>  |
| Dieter Ramaekers, CFP® | August 10, 2021 | <p>your organization continues down a path of dense non-sensical verbiage. As a professional, I can appreciate that we need to be governed by rules. However, all you do is re-write the rules over and over and over and over and over again. Have you got nothing else to do? Here in the field we are hungry for further education and how we may practically benefit our clients through strategies and well thought over beneficial steps for our clients. You are missing the point. We NEED MORE INPUT AS TO HOW WE CAN HELP OUR CLIENT AND LESS DENSE LANGUAGE AROUND RULES. There I cannot say it any louder or more clear. I am seriously thinking about what it means to be a CFP(r) and being of member of an organization that acts like ostriches with their heads in the sand looking for more beautiful rules and regulations. What is my benefit as a CFP(R) if all I am asked to do is learn and read and regurgitate these rules?</p> |
| Aaron Pease, CFP®      | August 10, 2021 | <p>The amount of rules and regulations surrounding the CFP designation are getting a bit over reaching. We reached the level of clients being able to trust the ethical standards and training of those holding the CFP designation a long time ago. Spend less time on excess rule making and more time of CFP promotion.</p>   |
| Bert Cupit, CFP®       | August 10, 2021 | <p>It seems as though every Board, every year ,spends most of their time either working on diversity or sanctions. Neither of these things at the end of the day are of much value to stakeholders. How much better would it be to create a forum which shares ideas and difficult case solutions that might actually benefit current CFP designees. Surely at some point some member has suggested some program that might be beneficial to group members. Because surely someone needs to. I'm sort of at the twilight of my over 30 year career</p>   |

# CFP BOARD

CERTIFIED FINANCIAL PLANNER BOARD OF STANDARDS, INC.

|                      |                 |  |
|----------------------|-----------------|--|
|                      |                 | and am wondering if I should even renew next year. The benefit seems minimal.  |
| Shelbi Ruffino, CFP® | August 10, 2021 | Although I want to believe all those who hold the CFP designation are honest folks, I am concerned about levying a fee to self report. We want certificants to do the right thing and self report; the best way to encourage this is to allow individuals to do so unencumbered.   |
| Rainey Miller, CFP®  | August 10, 2021 | I support all the change the Cfp board has made.   |
| Glenn Downing, CFP®  | August 2, 2021  | I've no problem with the failure to report resulting in a public censure. But I disagree with the monetary fine. Seems to me that if you end up investigating and rescinding that person's marks, you're in a position of trying to collect money from someone who is never going to pay. My \$.02: leave the monetary fine out of it.   |
| James Evans, CFP®    | July 29, 2021   | Greetings, I appreciate your work in attempting to maintain the CFP designation as one that upholds the highest standards. Two comments: I notice early on in the sanctions section that to DEC -- the various procedures as laid out are only a guideline. But to the CFP designate they are in fact rules. This disparity can create a problem at some point in time - all parties involved need to adhere to the same rules or guidelines. I understand flexibility - but I think this is too much flexibility. It appears that we are morphing into our own self regulatory organization. Although I do not object to this move -- it is a big move. Are we ready for the liability that it entails? Impeding someone's ability to make a living via sanctions and censure must be done both carefully and expediently. Otherwise we may find our organization exposed to counter actions. I am sure this has been considered - but I thought I might bring it up again. Lastly - I assume the DEC committee is largely volunteer. That is a lot of pressure, especially if the docket grows unexpectedly. I am happy to help if called upon to do so. Again thank you for your efforts! |
| John Lindsey, CFP®   | July 29, 2021   | There may be mitigating circumstances, especially on a member's first late filing - health, spouse's health, child's health, etc. Perhaps a modicum of grace is appropriate. No need to invoke an intense enforcement on a circumstance such as those.   |
| Laura Dix, CFP®      | July 29, 2021   | Board Members, I strongly oppose increased consequences for not reporting potential misconduct to the board. Earlier this year, I received an email giving notice for potential consequences and a revocation of marks due to a lack of reporting. The violation was not mine, I have never been arrested for assault as they claim, or arrested period. However, it was still my personal responsibility and time to  |

# CFP BOARD

CERTIFIED FINANCIAL PLANNER BOARD OF STANDARDS, INC.

|                             |                      |  |
|-----------------------------|----------------------|--|
|                             |                      | <p>have the CFP board remove this blot on my record. The whole process put a terrible taste in my mouth about the diligence of the process and their integrity. If the new consequences were in place, I likely would still be without marks I rightfully earned and should keep due to being a good human. The board in it's attempt for notoriety is losing touch with it's original purpose.</p>  |
| <p>Scott Steiner, CFP®</p>  | <p>July 28, 2021</p> | <p>I do not think sanctions are an appropriate response to these violations. Public censure or revocation of the CFP designation are appropriate. The CFP Board needs to be reminded that you are NOT a self-regulatory body like FINRA, and you are not the SEC. Sanctions should be reserved for these organizations. The CFP Board is overstepping their bounds in considering sanctions. I suspect any imposition of sanctions on a certificant may lead to legal challenges, which will just cost the board unnecessary costs, and those costs may be passed on to CFP professionals.</p>   |
| <p>Joseph D'Amore, CFP®</p> | <p>July 28, 2021</p> | <p>A material difference between a regulatory body and a professional standards organization is the opportunity for rehabilitation. Regulatory bodies impose punitive measures for misconduct Professional standards organizations can better provide pathways to rehabilitation. Is there a method for rehabilitating a past action, behavior or omission? Punishment by public censure accomplishes this. But why not include a measure to publicly state--- to the effect--- that no repeat of adverse conduct over 5 years will result in a dismissal of the censure ---or a " pardon" followed the public censure converted to a private one so it is no longer viewable by the public after 5 years? The " acceptance" of blame without a fee does not accomplish either. Comprehensive punishment ----nor. Relief or rehabilitation. Many will accept it as a method to save a fee and no guidance ---that could have been offered by the board for rehabilitation --- will be considered. There are numerous mechanisms of " forgiveness", corrective action ( ie. good behavior, restitution) " cleaning the slate" , expunging records, " and dismissed with a finding " in our judicial processes. How about dismissing for not repeating an adverse conduct? The procedural rules are lacking in the rehabilitative potential that a professional board can implement and assure the public that even those who have fallen short in action or thought can be valuable and reliable advisors. It's biblical isn't it? "...let he who is without sin cast the first stone..."</p> |

# CFP BOARD

CERTIFIED FINANCIAL PLANNER BOARD OF STANDARDS, INC.

|                       |               |   |
|-----------------------|---------------|---|
| Tyler Torgerson, CFP® | July 28, 2021 | I feel like you are putting considerable time, effort, and resources into the wrong places. Instead of sending me ads to buy merchandise or rewriting your ethics, you should put more time into supplying advisors with information they can use to be better advisors. Any planning related information, case studies, tax and estate info would be welcomed.   |
| Gerald Asplund, CFP®  | July 28, 2021 | We don't need everything to be public. What if someone missed the deadline b/c they had cancer or were going through a divorce and the complaint was a false allegation but then all this is spread out on the internet? This is going too far. I read through the recent enforcements and I agree with basically all of them but this it an industry where any nut job can make an allegation and the way I read it unfounded allegations are all over cfp.net.i am studying for my CMT and when I get that I am dropping my CFP just because I feel CFP is outside of their lane. We already have a regulator, FINRA. People have broker check. I agree with getting rid of people who go bankrupt or who hurt a client, 150% on board. i don't agree with everything that leads up to someone being booted showing up on the internet because most arbitration claims are denied by FINRA arbitration panels. i have a 100% clean record and it is going to stay that way but if a nut job comes along I don't need to have a false claim all over cfp.net. CFP should be education and withdraw designations from people who get sanctioned or banned by FINRA, we don't need the CFP association partnering with FINRA every step of the way to guilt or innocence. FINRA is strict and there isn't anything wrong with their process and people just aren't slipping through. |
| Mark DiGiovanni, CFP® | July 28, 2021 | Whenever I receive a notification of penalties against a CFP by the CFP Board, my first reaction tends to be one of sympathy for the CFP being held up to public shaming. These latest proposed revisions strike me as going even further down that path. It will make the failure to report an incident on par with the incident itself. I understand the need to enforce the code of ethics, and I support all efforts to make financial planning a true profession with high standards. However, I'm not sure what purpose is served by broadcasting sanctions taken by the board against individual CFPs, especially for something as relatively minor as failure to report. Public awareness might be better served by guiding people to a site where the record of every CFP can be reviewed, including any failures to report incidents..  |