

CERTIFIED FINANCIAL PLANNER BOARD OF STANDARDS, INC.

ANONYMOUS CASE HISTORIES
NUMBER 22175

This is a summary of a decision issued following the November 2008 hearings of the Disciplinary and Ethics Commission (“Commission”) of Certified Financial Planner Board of Standards, Inc. (“CFP Board”). The conduct at issue in this case occurred prior to January 1, 2009. The Rules in effect at that time under the *Code of Ethics and Professional Responsibility* (“*Code of Ethics*”) were Rules 101 through 705.

I. Issue Presented

Whether a candidate for CFP® certification (“Respondent”) violated CFP Board’s *Standards of Professional Conduct* when she was involved in Chapter 13 and Chapter 7 bankruptcies prior to submitting her Initial Certification Application.

II. Findings of Fact Relevant to the Commission’s Decision

CFP Board alleged the following in its Complaint:

1. In March 2008, CFP Board conducted a routine background check after receiving Respondent’s Initial Certification Application;
2. The background check showed that Respondent had filed for a Chapter 13 bankruptcy in 1991 and a Chapter 7 bankruptcy in 1995;
3. In May 2008, Respondent submitted a written statement to CFP Board stating that the Chapter 13 bankruptcy filing was not a business bankruptcy filing, and that Respondent and her husband filed for Chapter 13 bankruptcy in an attempt to reorganize personal debt incurred in starting a new business;
4. In July 2008, Respondent’s attorney sent a letter to CFP Board stating that the Chapter 13 debts had been rolled into the Chapter 7 bankruptcy and that they should be regarded as one bankruptcy.

III. Commission’s Analysis and Conclusions Regarding Rule Violations

The Commission determined that CFP Board staff did not prove by a preponderance of the evidence that Respondent violated Rule 607 of the *Code of Ethics*, which provides that a CFP Board designee shall not engage in conduct which reflects adversely on his or her integrity or fitness, upon the marks and upon the profession. The Commission found that Respondent’s filing of a Chapter 13 bankruptcy which later became a Chapter 7 bankruptcy, did not show that Respondent failed to behave with integrity. Finding that Respondent did not violate Rule 607 of the *Code of Ethics*, the Commission determined that there were no grounds for discipline under CFP Board’s *Disciplinary Rules and Procedures*.

IV. Discipline Imposed

The Commission dismissed the matter as without merit. The Commission considered no mitigating or aggravating factors.

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