

CERTIFIED FINANCIAL PLANNER BOARD OF STANDARDS, INC.

ANONYMOUS CASE HISTORIES
NUMBER 23353

This is a summary of a decision issued following the February 2010 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 CFP® professional (“Respondent”) violated CFP Board’s *Standards of Professional Conduct* when she filed for personal and business Chapter 7 Bankruptcy protection in 2008.

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

Respondent filed for personal and business Chapter 7 Bankruptcy protection in October 2008. The Bankruptcy Court discharged Respondent’s bankruptcies in February 2009.

III. Commission’s Analysis and Conclusions Regarding Rule Violations

- A. *Rule 607 Violation – A CFP Board designee shall not engage in any conduct which reflects adversely on his or her integrity or fitness as a CFP Board designee, upon the marks, or upon the profession.*

The Commission found that Respondent engaged in conduct that reflects adversely on her integrity and fitness as a CFP Board designee, upon the marks, and upon the profession because she failed to effectively manage her financial affairs when she filed for personal and business Chapter 7 Bankruptcy protection. Thus, Respondent violated Rule 607.

IV. Discipline Not Imposed

The Commission found grounds for discipline based on Article 3(a) of CFP Board’s *Disciplinary Rules and Procedures* (“Disciplinary Rules”). Article 3(a) of the *Disciplinary Rules* provides grounds for discipline for any act or omission that violates provisions of the *Code of Ethics*.

After careful consideration of the evidence, the Commission decided to dismiss Respondent’s matter with a caution, despite finding grounds for discipline. The Commission cautioned Respondent not to engage in conduct that could reflect adversely on her integrity and fitness as a CFP Board designee, upon the marks, or upon the profession.

The Commission cited the following mitigating factors:

1. Respondent’s employer provided a written statement in support of Respondent’s fitness as a CFP® professional; and
2. Respondent disclosed the bankruptcies to CFP Board.

The Commission did not cite any aggravating factors.