

CERTIFIED FINANCIAL PLANNER BOARD OF STANDARDS, INC.

ANONYMOUS CASE HISTORIES
NUMBER 23702

This is a summary of a Settlement Agreement entered into at 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 an applicant for reinstatement of his CFP® certification (“Respondent”) violated CFP Board’s *Standards of Professional Conduct* (“*Standards*”) when he filed for Chapter 13 Bankruptcy in 2005 and was the subject of a 2008 judgment lien.

II. Findings of Fact

In August 2009, Respondent filed a Reinstatement Application for CFP® Certification. During a routine background check, CFP Board discovered a 2005 Chapter 13 Bankruptcy filing and a 2008 judgment lien. According to Respondent, the bankruptcy was filed as a result of a prolonged separation and divorce from his former spouse. The bankruptcy was discharged in June 2008. The judgment lien was released in February 2009.

III. Rule Violations

- A. *Rule 607* — *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.*

By filing for Chapter 13 Bankruptcy, Respondent demonstrated an inability to manage his personal finances, which is conduct that reflects adversely on his integrity and fitness as a CFP Board designee, upon the marks and upon the profession. Thus, Respondent violated Rule 607.

IV. Discipline Imposed

Article 3(a) provides grounds for discipline for any violation of CFP Board’s *Code of Ethics*. The Commission finds grounds for discipline under Article 3(a) because Respondent violated the *Code of Ethics* rules discussed above.

Respondent and CFP Board entered into a Settlement Agreement in which Respondent consented to the above Findings of fact and Rule Violations. Based on the terms of the Settlement Agreement, the Commission issued a private censure pursuant to Article 4.1 of the *Disciplinary Rules*. The Commission did not cite any mitigating or aggravating factors.