

CERTIFIED FINANCIAL PLANNER BOARD OF STANDARDS, INC.

ANONYMOUS CASE HISTORIES
NUMBER 23870

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 candidate for CFP[®] certification (“Respondent”) violated CFP Board’s *Standards of Professional Conduct* when he was convicted of Conspiracy to Possess Marijuana with Intent to Distribute and Conspiracy to Distribute Cocaine.

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

In a Settlement Agreement entered into with the Commission, Respondent consented to the facts presented below.

In December 1995, Respondent pleaded guilty to Conspiracy to Possess Marijuana with Intent to Distribute. Respondent was sentenced to probation for two years and sixty days. State law classifies criminal offenses as crimes of the first, second, third, or fourth degree with first degree being the most severe. Respondent’s conviction of Conspiracy to Possess Marijuana with Intent to Distribute was of the third degree. Respondent did not disclose the criminal conviction to CFP Board in his Initial Application for CFP[®] Certification.

In January 2001, Respondent pleaded guilty to Conspiracy to Distribute Cocaine, and in November 2001, Respondent was sentenced to five years of incarceration. In February 2002, Respondent was released into an intensive supervision program. Respondent was favorably discharged from the intensive supervision program in July 2004. Respondent admitted that he had arranged a meeting between a purchaser and seller of narcotics. Respondent’s conviction of Conspiracy to Distribute Cocaine was of the second degree. Federal law and many states define a felony as a crime that is punishable by a term of imprisonment of more than one year.

III. Commission's Analysis and Conclusions Regarding Rule Violations

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

By being convicted of Conspiracy to Possess Marijuana with Intent to Distribute and Conspiracy to Distribute Cocaine, Respondent engaged in conduct which 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

Respondent and CFP Board entered into a settlement agreement in which Respondent consented to a suspension of his right to use the CFP[®], CERTIFIED FINANCIAL PLANNER[™] and  marks for one year and one day. As part of the settlement, Respondent consented to grounds for discipline pursuant to Articles 3(a), 3(c) and 3(g) of CFP Board's *Disciplinary Rules and Procedures*. Article 3(a) provides grounds for discipline for any violation of CFP Board's *Code of Ethics*. Article 3(c) provides grounds for discipline for a violation of any criminal law. Article 3(g) provides grounds for discipline for a false or misleading statement made to CFP Board. Respondent consented to the finding that by failing to disclose his conviction on his Initial Application for CFP[®] Certification, he made a false or misleading statement to CFP Board.

The Commission issued a suspension of Respondent's right to use the CFP[®] marks for one year and one day.

The Commission did not cite any mitigating or aggravating factors. The Commission ordered that Respondent submit evidence of his compliance with the law and his employer's policies and procedures because the felony conviction was within the past ten years.