

CERTIFIED FINANCIAL PLANNER BOARD OF STANDARDS, INC.

ANONYMOUS CASE HISTORIES  
NUMBER 24502

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The following is a summary of a decision issued following the June 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”) could be certified when he filed for bankruptcy within five years prior to submitting his Initial Application for CFP® Certification (“Application”).

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

The Commission determined that in February 2008, Respondent filed for Chapter 7 Bankruptcy (“Bankruptcy”). The Bankruptcy was discharged in June 2008.

III. Commission’s Determination of Candidate’s Fitness

Under CFP Board’s *Candidate Fitness Standards*, a bankruptcy filing within five years prior to applying for CFP® certification is presumed to be unacceptable, and will bar an individual from becoming certified unless the individual petitions the Commission for reconsideration.

In past cases, the Commission has granted a Petition for Reconsideration if the Respondent has faced extreme or exigent circumstances surrounding the need to file for bankruptcy. The Commission found that there were no extreme or exigent circumstances surrounding Respondent’s need to file for bankruptcy. Thus, the Commission granted Respondent’s Petition for Reconsideration but suspended Respondent’s right to use the CFP® marks for three years pursuant to Article 4.5 of the *Disciplinary Rules*.

The Commission found Respondent’s attempts to improve his financial position to be a mitigating factor.

The Commission found Respondent’s extended period of unemployment to be an aggravating factor.