

CERTIFIED FINANCIAL PLANNER BOARD OF STANDARDS, INC.

ANONYMOUS CASE HISTORIES

NUMBER 24845

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This is a summary of a decision issued following the November 2011 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 before and after January 1, 2009. The Rules in effect for conduct occurring before January 1, 2009 were Rules 101 through 705 of CFP Board’s *Code of Ethics and Professional Responsibility* (“*Code of Ethics*”). The Rules in effect for conduct occurring after January 1, 2009 were Rules 1.1 through 6.5 of CFP Board’s *Rules of Conduct*.

I. Issue Presented

Whether a CFP® professional (“Respondent”) violated CFP Board’s *Standards of Professional Conduct* when he did not respond to a Complaint issued to him by CFP Board.

II. Facts Relevant to the Commission’s Decision

In April 2010, Respondent disclosed his involvement in a 2009 Financial Industry Regulatory Authority, Inc. (“FINRA”) Arbitration with his former employer concerning Respondent’s failure to repay the balance due on his promissory note following Respondent’s termination from the firm. In February 2011, Respondent disclosed his involvement in a 2011 FINRA Arbitration filed by another former employer concerning Respondent’s failure to repay balances due on training and education agreements, as well as a retention bonus. Finally, in April 2011, Respondent disclosed to CFP Board that he had filed for Chapter 7 Bankruptcy. FINRA closed both Arbitrations without prejudice, due to Respondent’s Chapter 7 Bankruptcy filing.

In August 2011, CFP Board mailed a Complaint to Respondent at his CFP Board address of record. The Complaint alleged that Respondent violated Rule 607 of the *Code of Ethics* and Rule 6.5 of the *Rules of Conduct* when he: 1) failed to repay the balance due on a promissory note entered into with a former employer; 2) failed to repay the balances due on a supplementary training agreement, program agreement, and retention award entered into with a second former employer; and 3) filed for Chapter 7 Bankruptcy, demonstrating an inability to manage his personal finances.

Respondent did not submit an Answer in Response to CFP Board’s Complaint.

III. Discipline Imposed

Article 7.4 of CFP Board’s *Disciplinary Rules and Procedures* stipulates that if a registrant fails to file an Answer to the Complaint within the 20-day period provided by Article 7.3, the registrant shall be deemed to be in default, and the allegations set forth in the Complaint shall be deemed admitted. In such circumstance, an Order of Revocation shall be issued to the CFP® professional.

Therefore, pursuant to Article 7.4, CFP Board issued an Order to Revoke Respondent’s right to use the CFP®, CERTIFIED FINANCIAL PLANNER™,  and  certification marks.

ACH 24845

- 1 -