

CERTIFIED FINANCIAL PLANNER BOARD OF STANDARDS, INC.

ANONYMOUS CASE HISTORIES
NUMBER 25470

This is a summary of a Settlement Agreement approved at the June 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 after January 1, 2009. The Rules in effect at that time under the *Rules of Conduct* were Rules 1.1 through 6.5.

I. Issue Presented

Whether a CFP® professional (“Respondent”) violated CFP Board’s *Standards of Professional Conduct* when he solicited loans from two of his clients.

II. Findings of Fact

In September 2010, CFP Board discovered Respondent’s involvement in a 2010 internal review and termination by his firm, related to Respondent’s solicitation of loans from two of his clients.

In a letter to CFP Board, Respondent’s attorney stated that the clients declined to extend the loans to Respondent because: 1) one client had an illness in his family that would require his financial assistance; and 2) the other client was in the process of expanding his business.

III. Rule Violations

A. *Rule 6.5 – A certificant shall not engage in conduct which reflects adversely on his or her integrity or fitness as a certificant, upon the CFP® marks, or upon the profession.*

Respondent engaged in conduct that reflects adversely on his integrity or fitness, upon the CFP® marks and upon the profession when he solicited loans from two of his clients, which led to his termination from the firm. Thus, Respondent violated Rule 6.5 of the *Rules of Conduct*.

IV. Discipline Imposed

Article 3(a) of CFP Board’s *Disciplinary Rules and Procedures* provides grounds for discipline for any act or omission that violates the *Rules of Conduct*. The Commission found grounds for discipline under Article 3(a) because Respondent violated Rule 6.5 of the *Rules of Conduct*.

The Commission and Respondent entered into a Settlement Agreement in which Respondent consented to the above Findings of Fact and Rule Violations. Pursuant to the Settlement Agreement, the Commission issued to Respondent a Private Censure.

In making its decision, the Commission cited no mitigating or aggravating factors.