

CERTIFIED FINANCIAL PLANNER BOARD OF STANDARDS, INC.

ANONYMOUS CASE HISTORIES  
NUMBER 27368

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This is a summary of a decision issued following the June 2012 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 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*”).

I. Issue Presented

Whether a CFP<sup>®</sup> 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 CFP Board’s Decision



In November 2011, Respondent notified CFP Board that he had entered into a Letter of Acceptance, Waiver and Consent (“AWC”) with the Financial Industry Regulatory Authority, Inc. (“FINRA” formerly known as the National Association of Securities Dealers or “NASD”) wherein he was fined \$5,000 and suspended from association with any FINRA member in any capacity for 20 business days. In April 2012, CFP Board mailed a Complaint to Respondent at his CFP Board address of record.

The Complaint alleged that Respondent violated *Code of Ethics* Rules 201, 406, 606(a), 607 and 705 when he: 1) failed to follow a client’s instructions to liquidate an account; 2) failed to supervise a subordinate with regard to the client’s request; 3) made a personal guarantee to recover the client’s losses in violation of NASD Rules 2330(e) and 2110; 4) was terminated by his employer; and 5) signed a FINRA AWC wherein he consented to a \$5,000 fine and suspension from association with any FINRA member in any capacity for a period of 20 business days.

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 Respondent fails to file an Answer to the Complaint within the 20-day period provided by Article 7.3, the Respondent 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 Respondent.

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

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