

**CFP BOARD**

# **2023 PROPOSED REVISIONS TO *SANCTION GUIDELINES & FITNESS STANDARDS***

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## **Survey Responses**

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On September 5, 2023, CFP Board requested comments on proposed revisions to its *Sanction Guidelines* and *Fitness Standards for Candidates for CFP® Certification and Former CFP® Professionals Seeking Reinstatement* for a 90-day public comment period, which ended December 3, 2023.

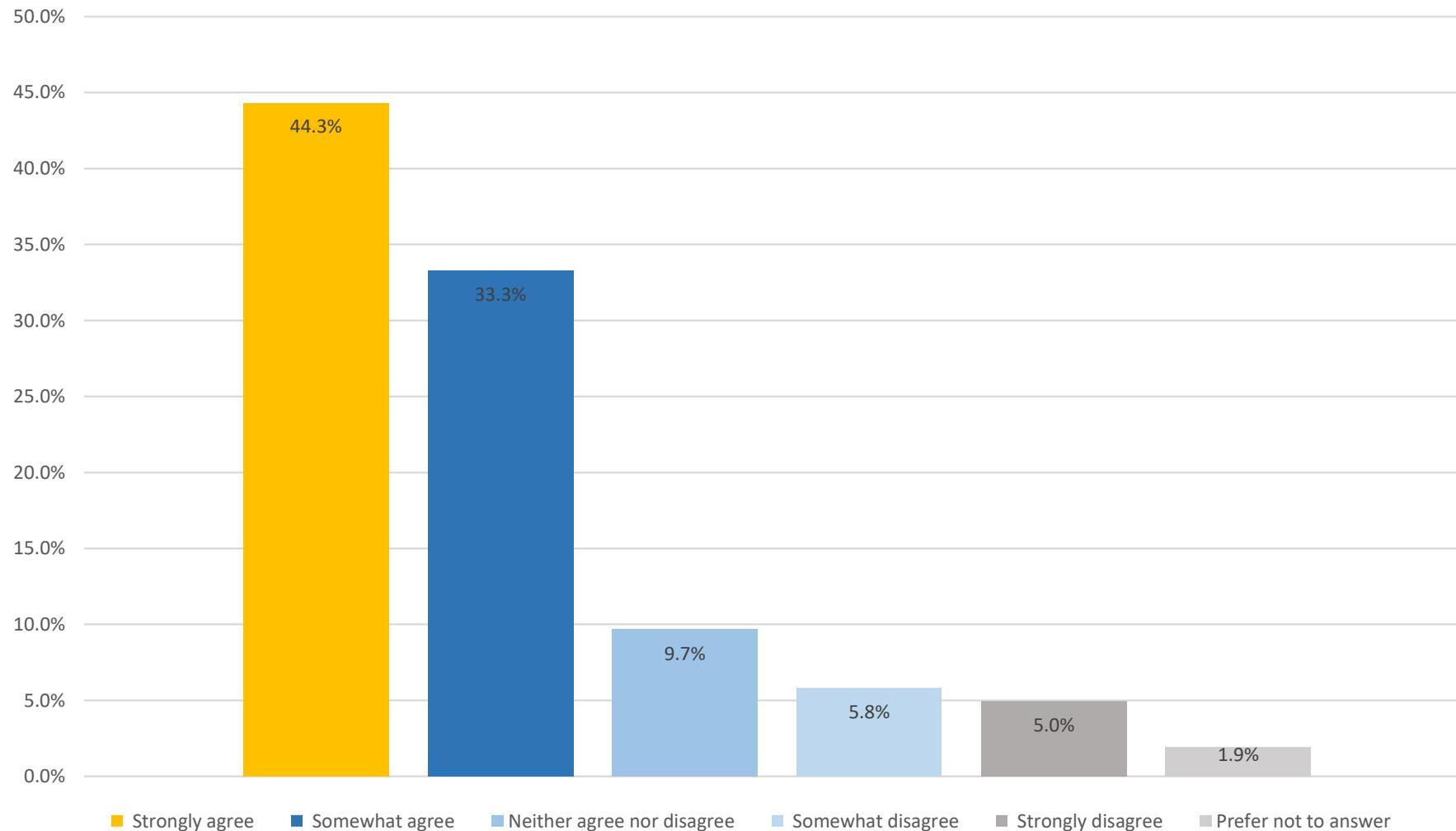
For this public comment period, CFP Board created a survey platform that contextualized the proposed revisions and enabled members of the public and CFP® professionals to submit their feedback on specific issues more effectively.

This document provides the results for each of the questions asked in the survey.

Respondents were invited to provide open-ended responses after each question, and those responses are available for review in a separate document.

# Sanctions Framework

When a CFP® professional is found to have engaged in misconduct, the DEC begins by applying the default sanction that applies to that category of misconduct. Then the DEC considers whether there are any aggravating factors or mitigating factors. To what extent do you agree this is the appropriate framework when determining the appropriate sanction?

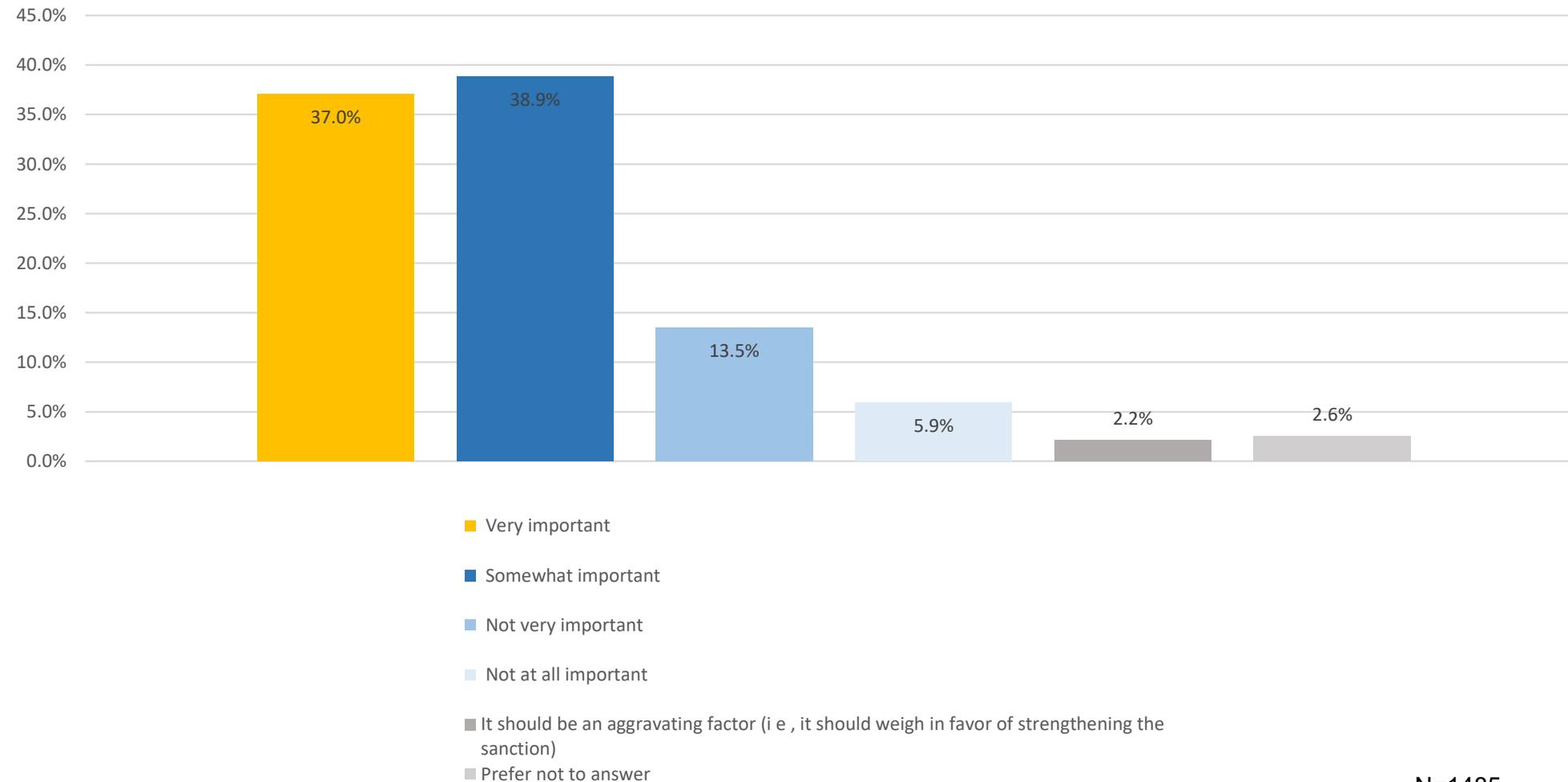


N=1717

# Is Positive Character Evidence an Important Mitigating Factor?



To what extent do you believe this is an important mitigating factor: Positive character evidence (such as from an employer or coworker):

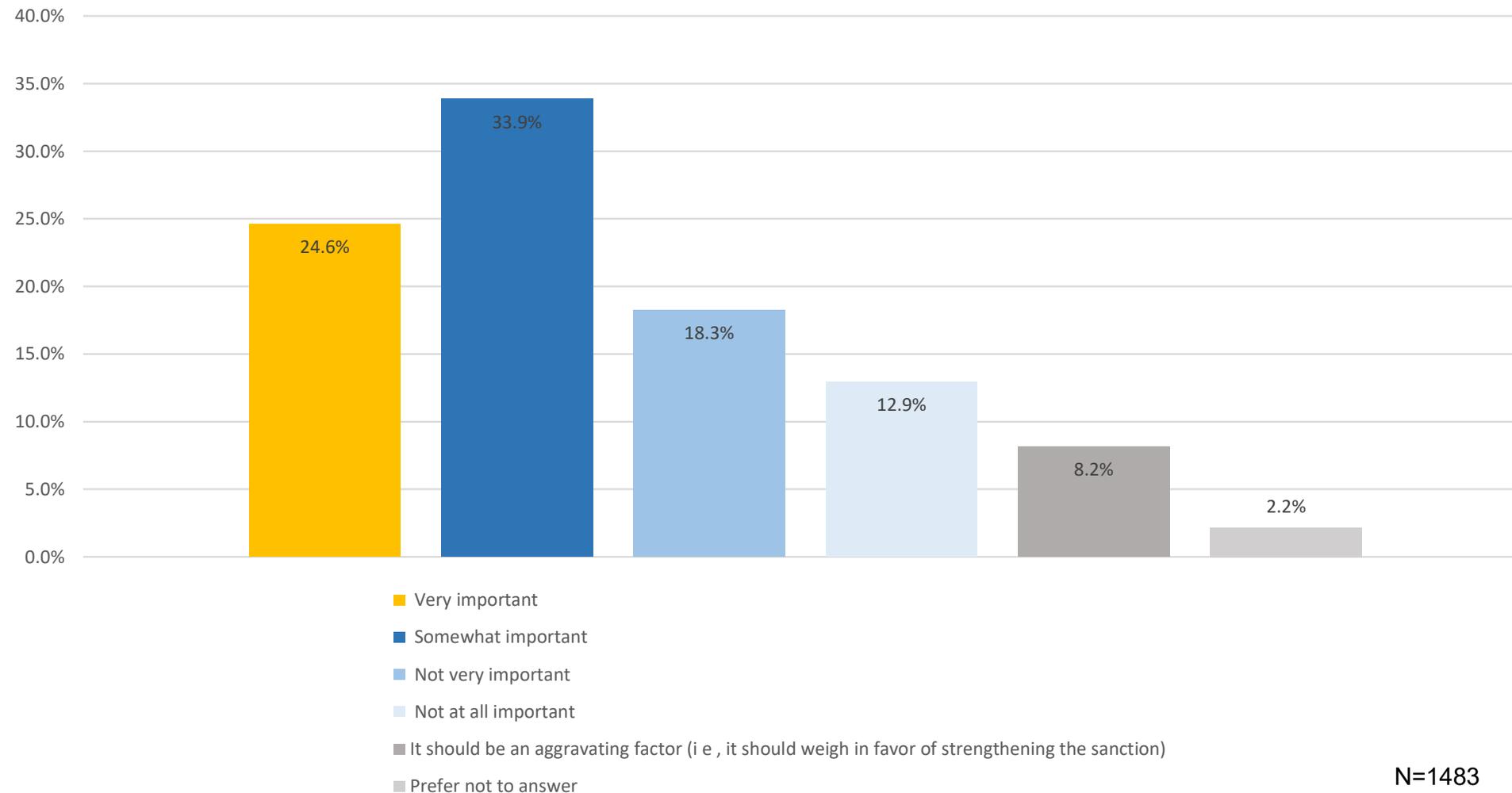


N=1485

# Is Length of Experience as a CFP® Professional an Important Mitigating Factor?



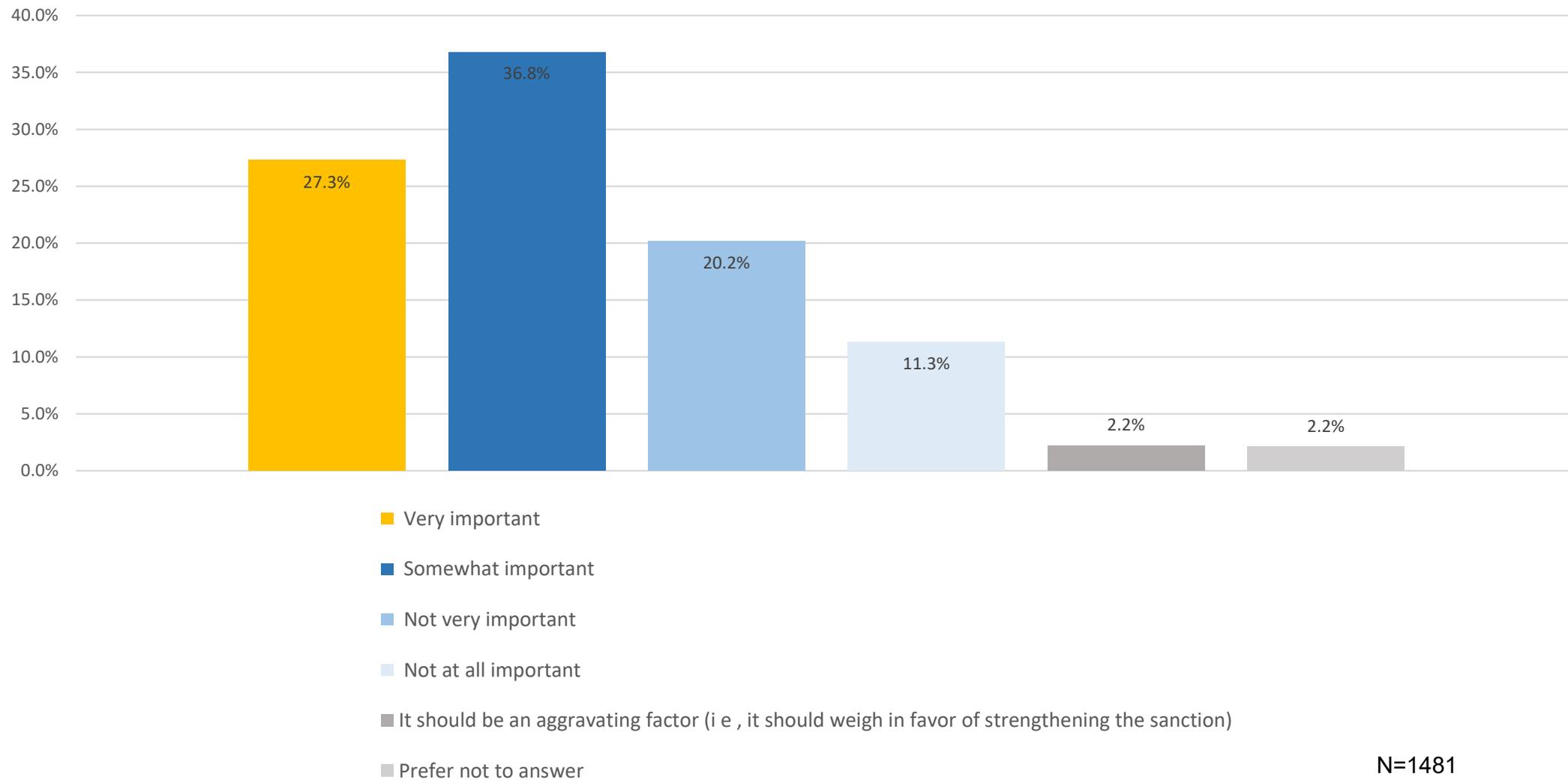
To what extent do you believe this is an important mitigating factor: Lengthy experience as a CFP® professional



N=1483

# Is a Statement of Remorse an Important Mitigating Factor?

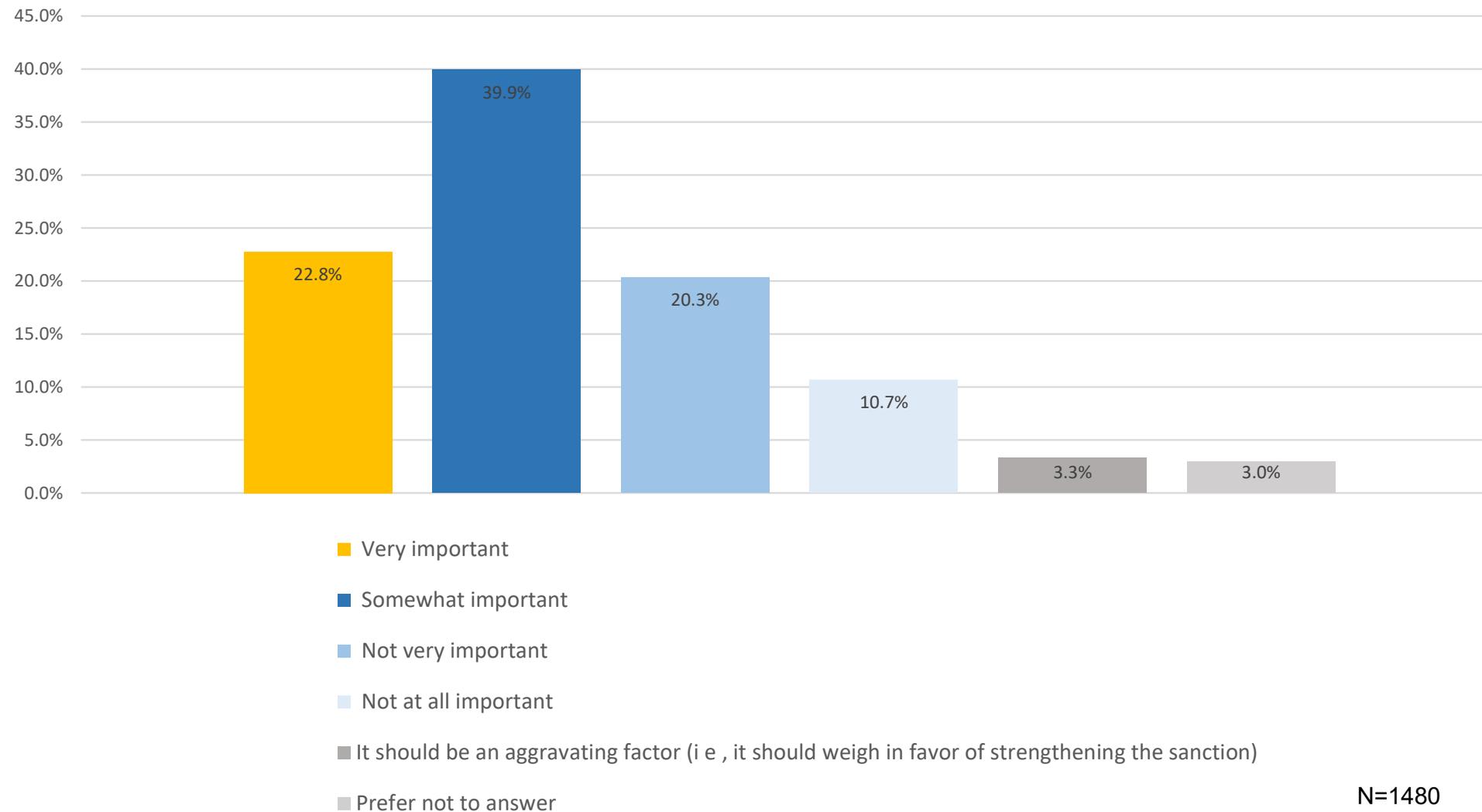
To what extent do you believe this is an important mitigating factor: A statement of remorse.



N=1481

# Is Passage of a Significant Period of Time an Important Mitigating Factor?

To what extent do you believe this is an important mitigating factor: Passage of a significant period of time

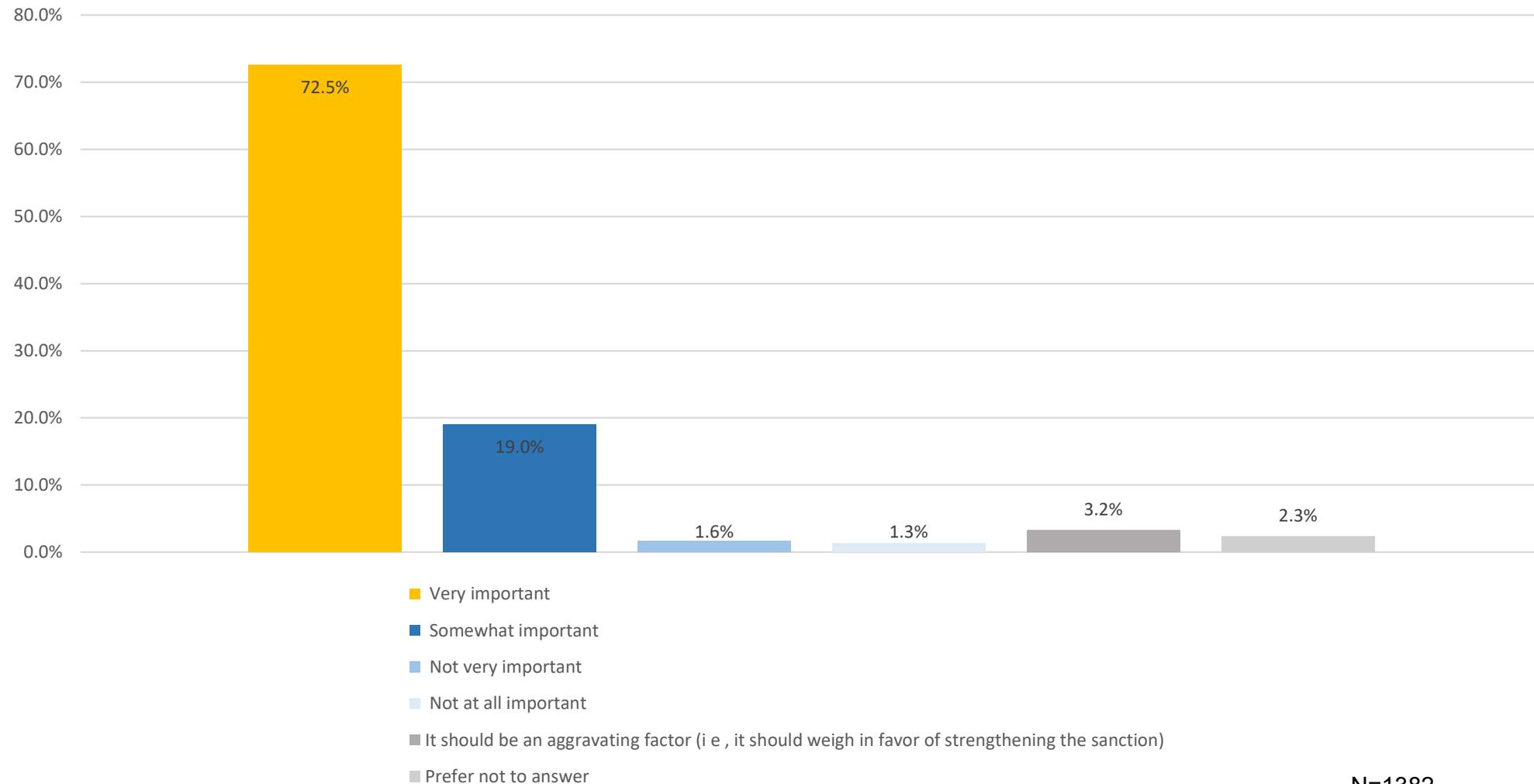


N=1480

# Is a High Likelihood the Incident Was Isolated and Lacked Bad Intent an Important Mitigating Factor?



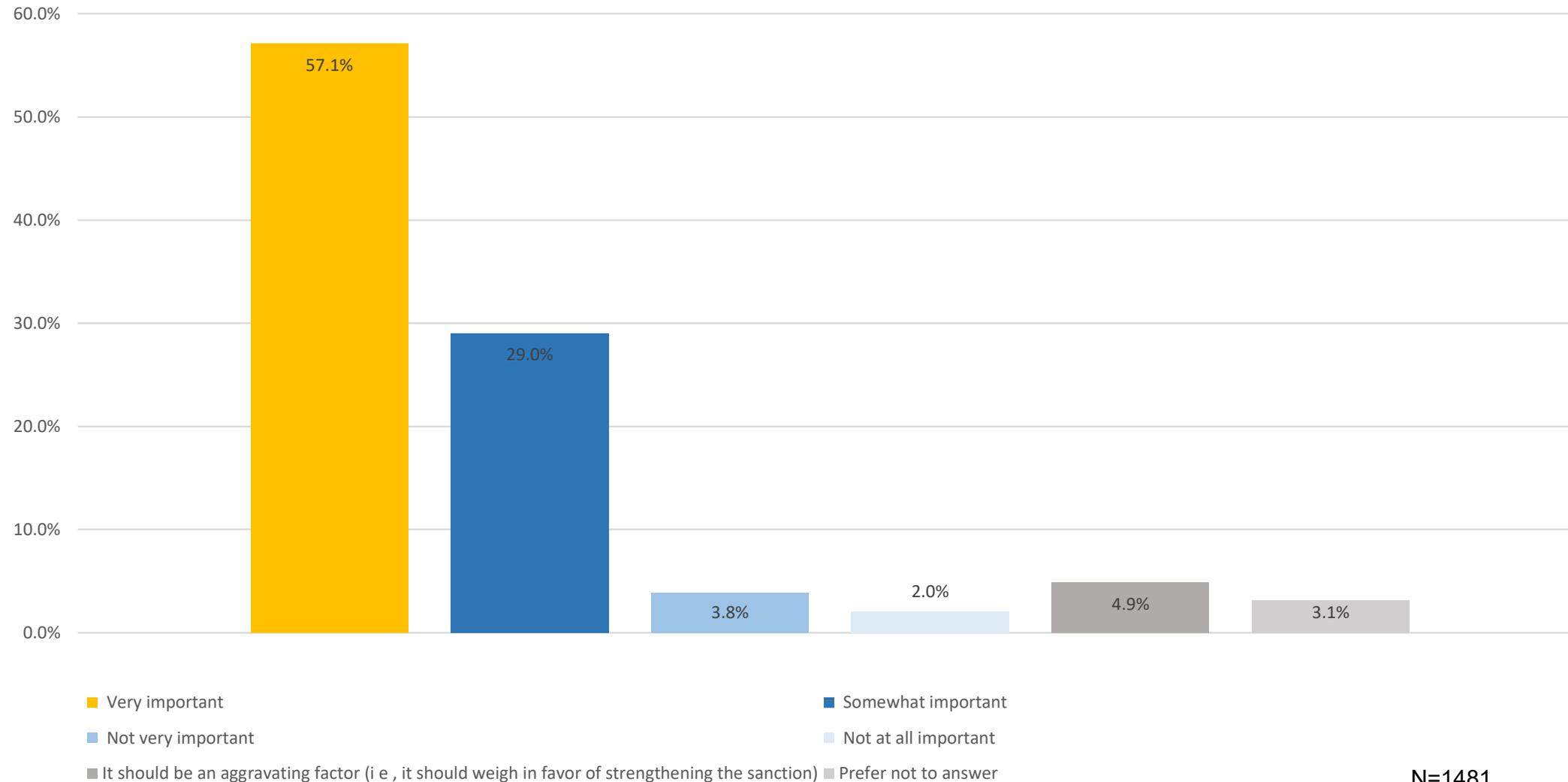
To what extent do you believe this is an important mitigating factor: High likelihood the incident was isolated and lacked bad intent



N=1382

# Is Remediation an Important Mitigating Factor?

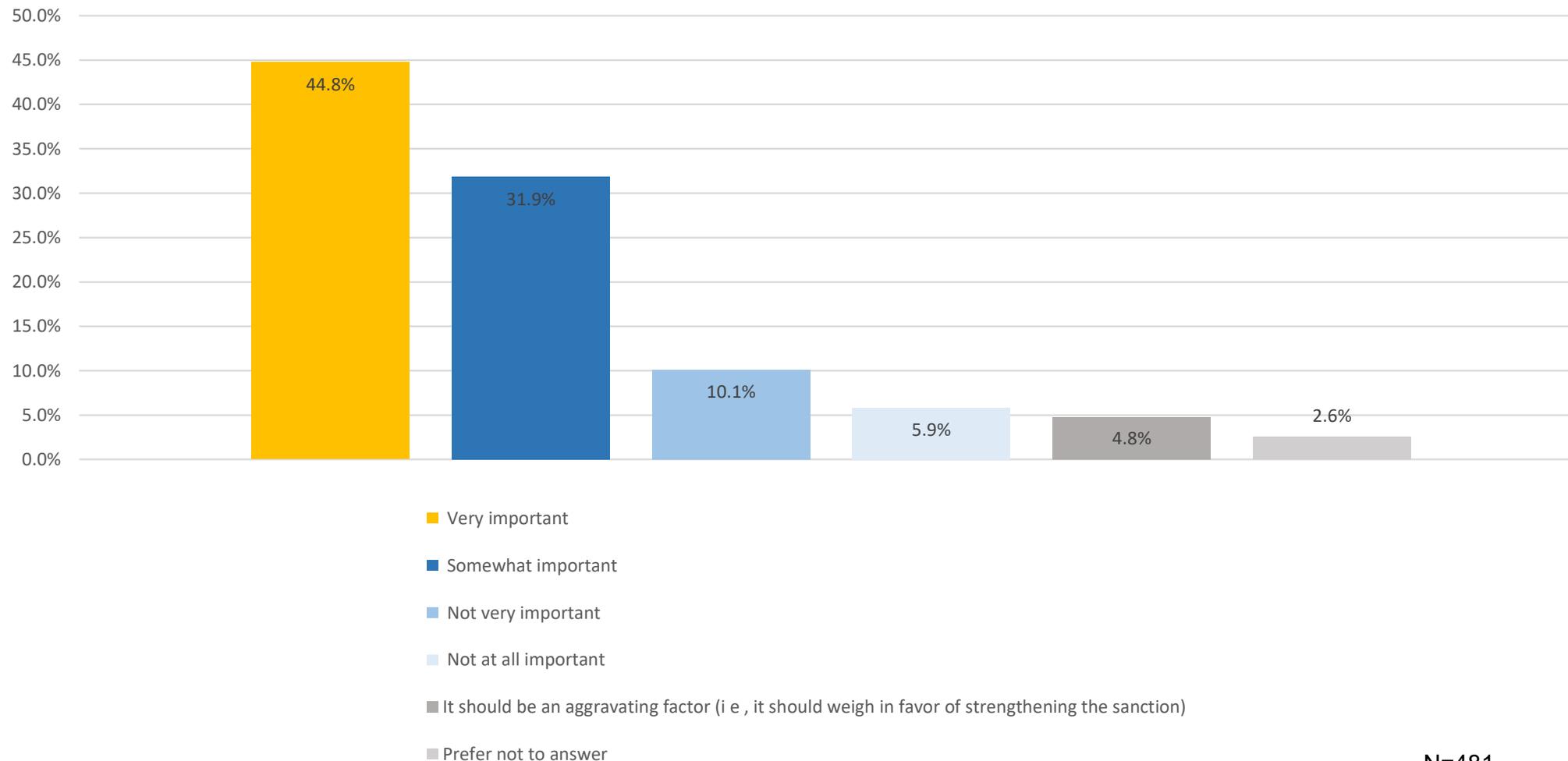
To what extent do you believe this is an important mitigating factor: Remediation of harm caused by the misconduct



N=1481

# Is Acknowledgement of Misconduct After Detection an Important Mitigating Factor?

To what extent do you believe this is an important mitigating factor: Acknowledgement of misconduct after the misconduct is detected

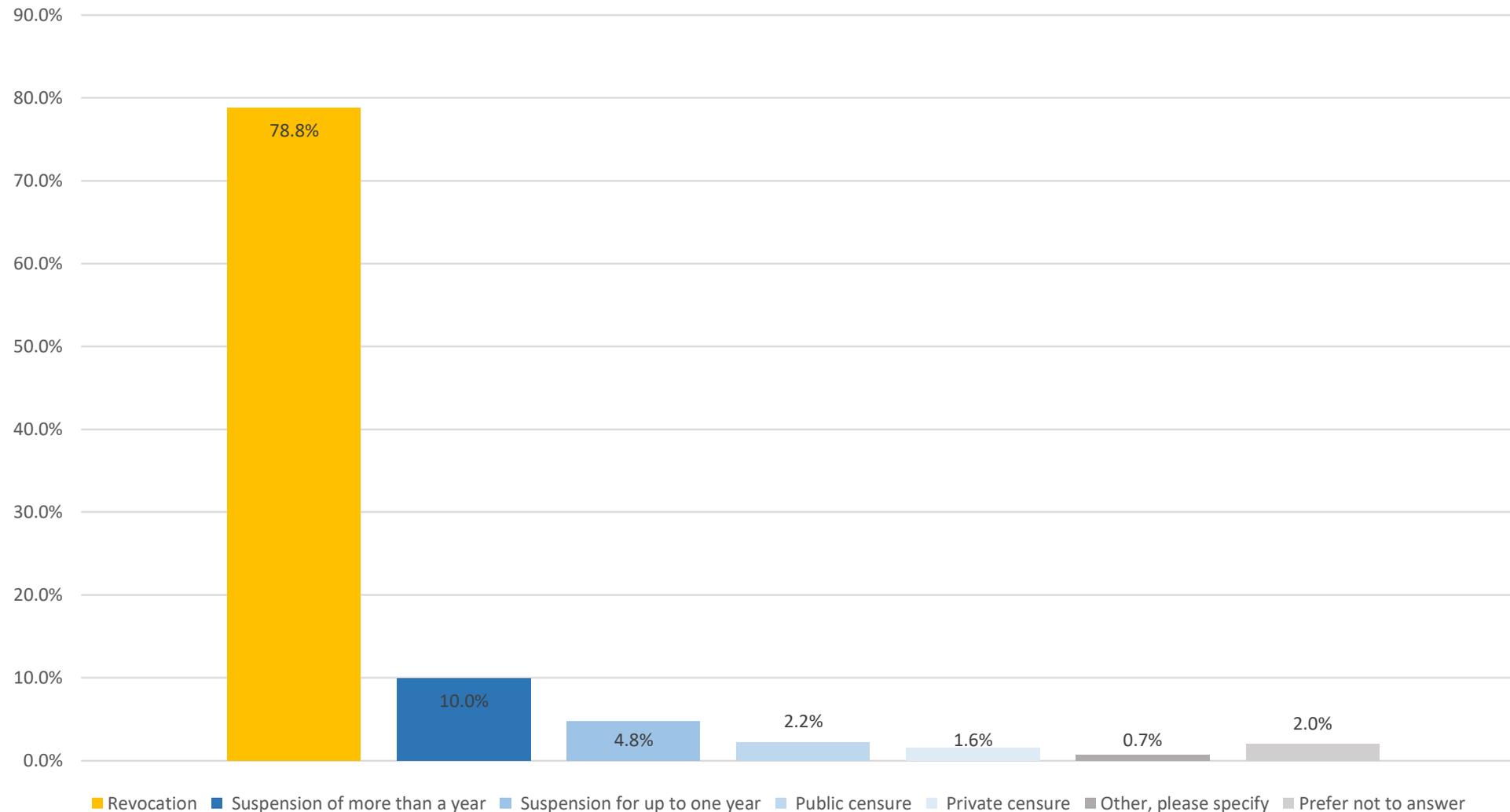


N=481

# What Sanction Guideline Should Apply to Forgery Without Authorization?



What baseline sanction do you believe is appropriate for the following categories of misconduct? Forgery without authorization of the client (e.g., signing a client's signature to a document without the client's knowledge)

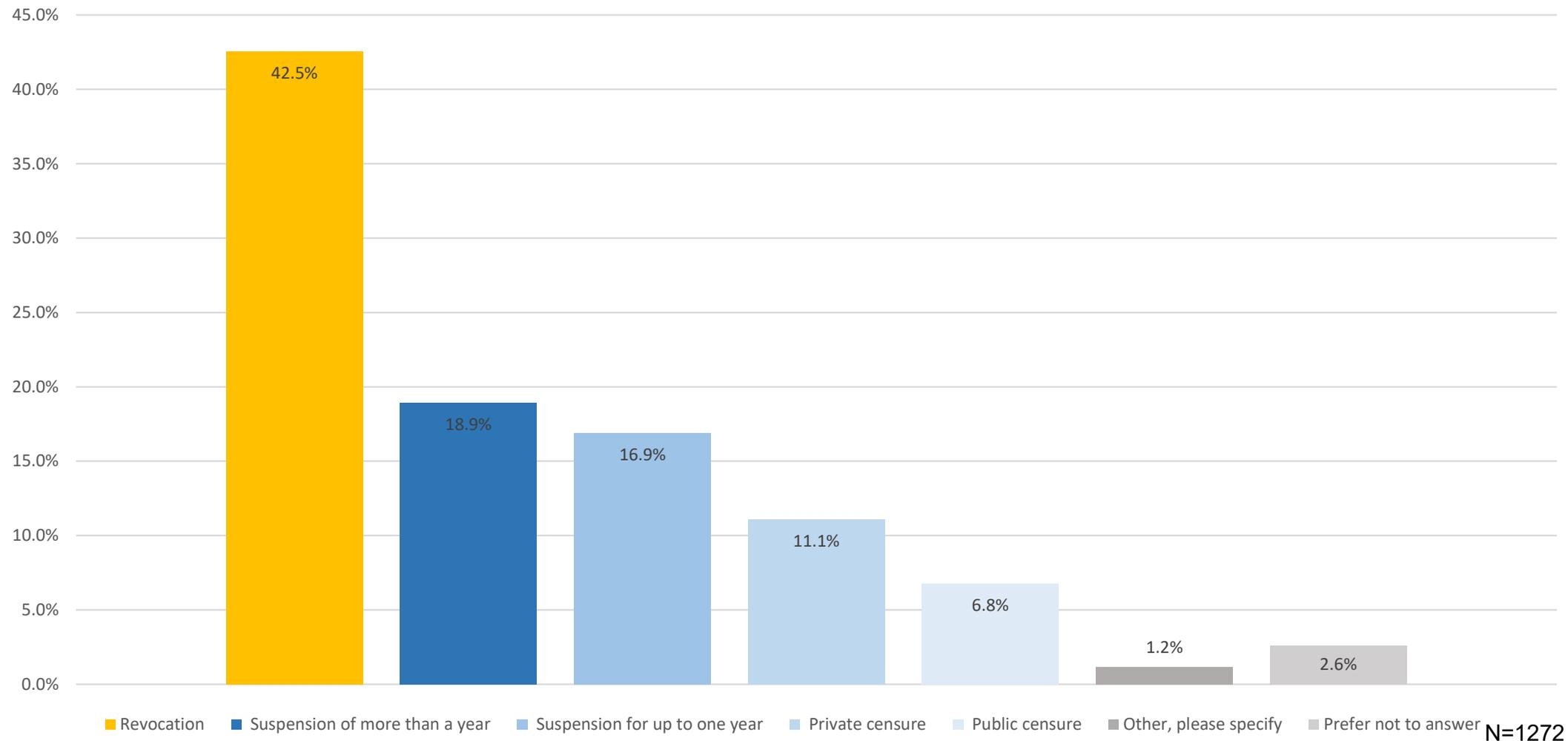


N=1431

# What Sanction Should Apply to Forgery With Authorization?



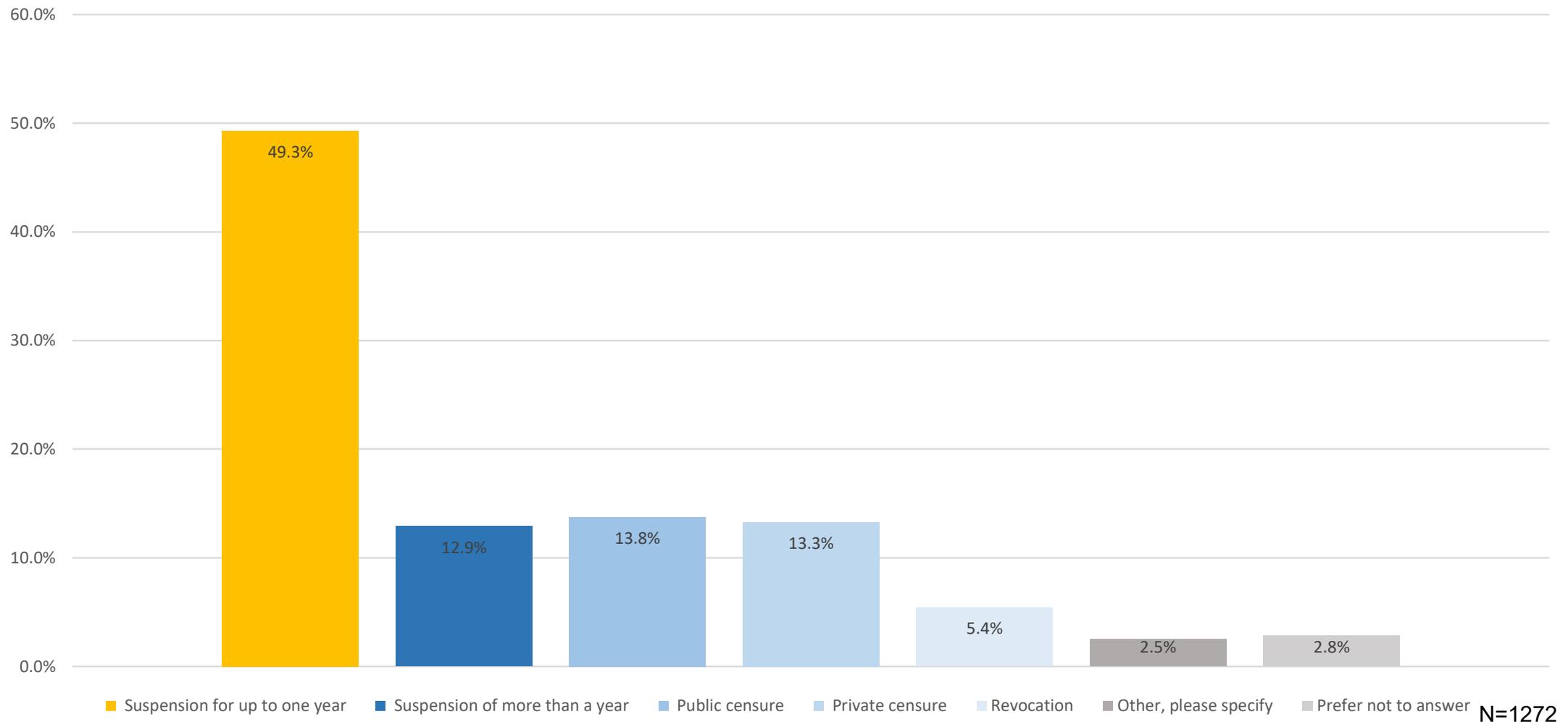
What baseline sanction do you believe is appropriate for the following categories of misconduct? Forgery with authorization of the client (e.g., signing a client's signature to a document at the client's direction). The proposed sanction guideline is a Revocation (subject to aggravating or mitigating factors).



# What Sanction Should Apply to Lack of Competence in Providing Financial Services?



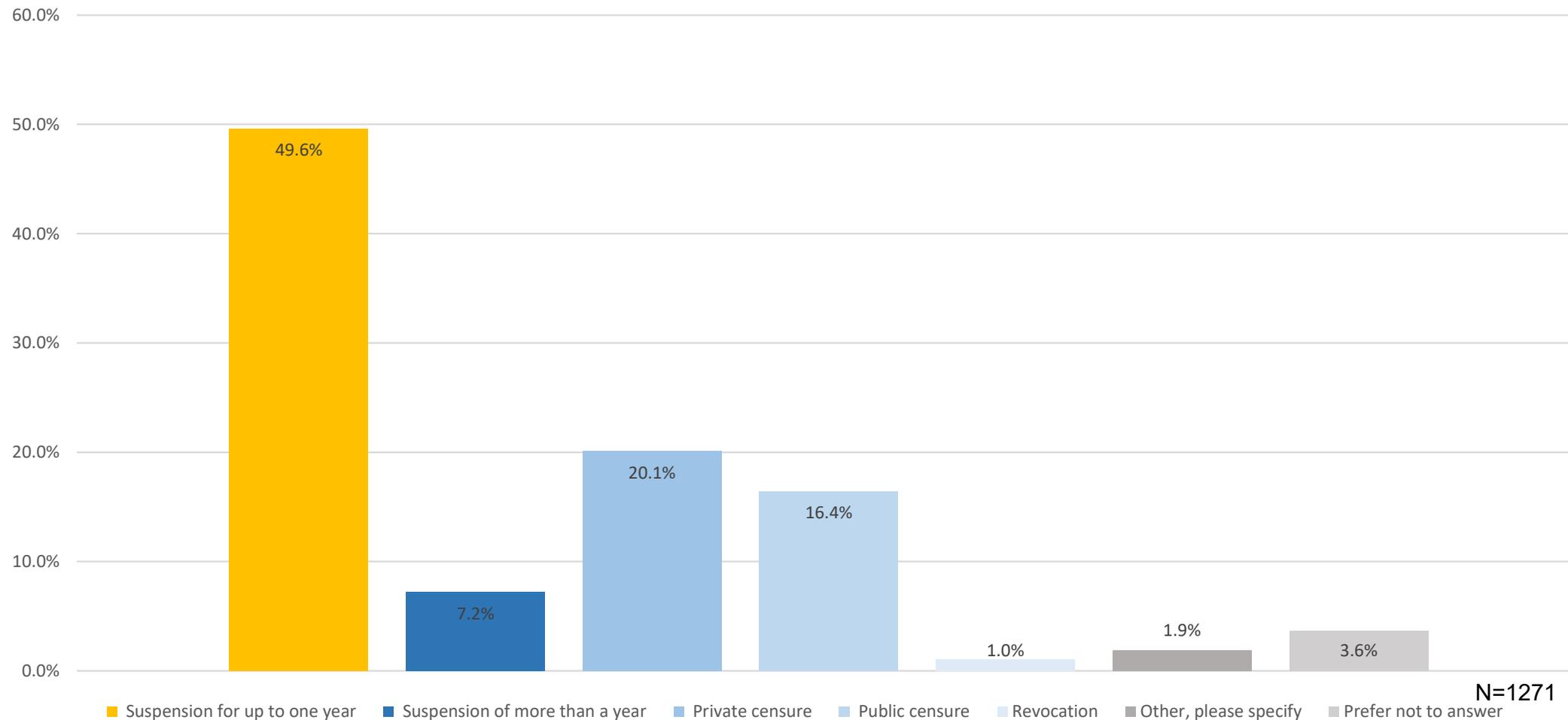
What baseline sanction do you believe is appropriate for the following categories of misconduct? Lack of competence in providing financial services. The proposed sanction guideline is a Suspension for Up to One Year (subject to aggravating or mitigating factors).



# What Sanction Should Apply to Violation of the Financial Planning Practice Standards?



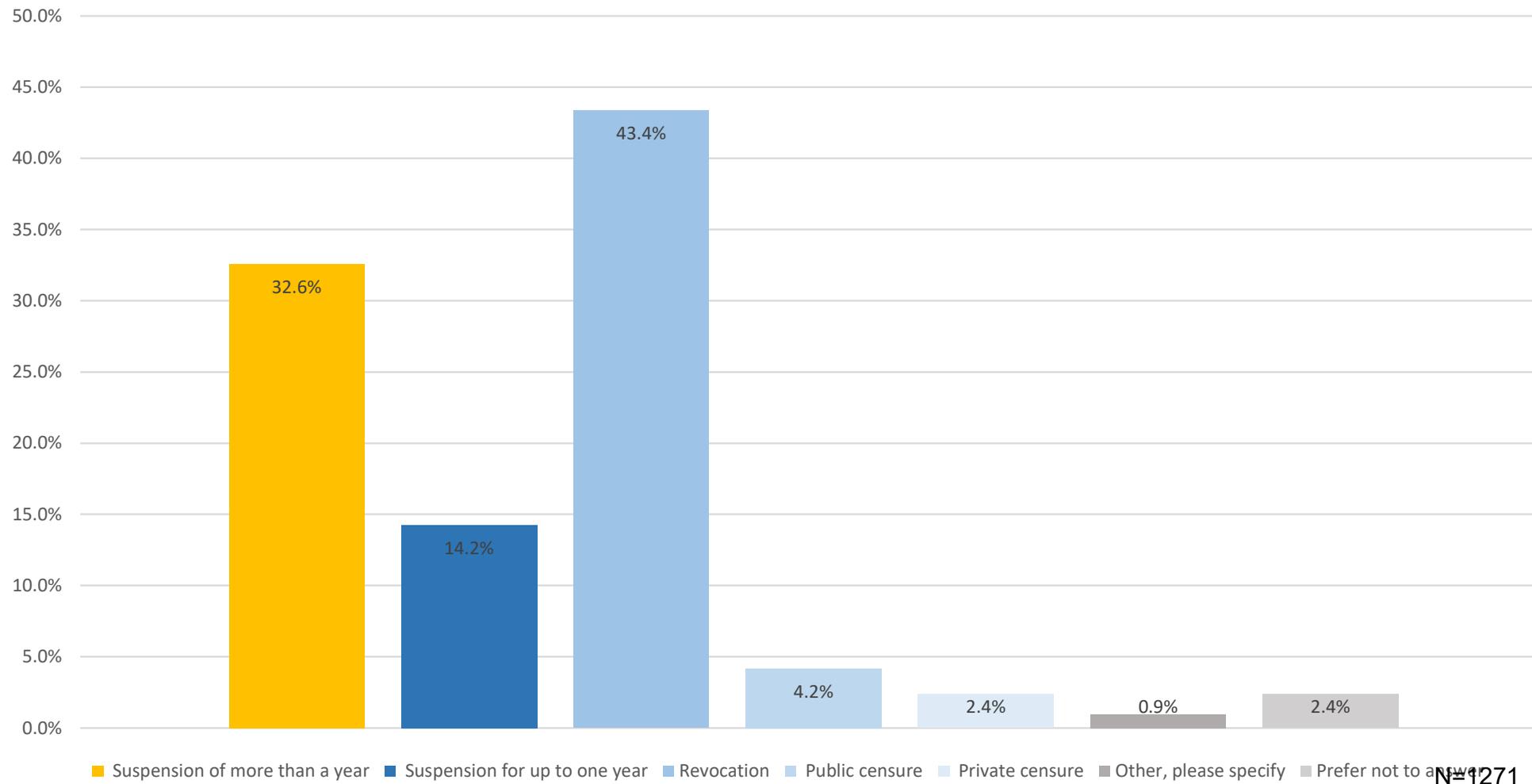
What baseline sanction do you believe is appropriate for the following categories of misconduct? Violation of the Financial Planning Practice Standards. The proposed sanction guideline is a Suspension for Up to One Year (subject to aggravating or mitigating factors).



# What Sanction Should Apply to Fraud, Theft or Other Dishonest Conduct Unrelated to Financial Services?



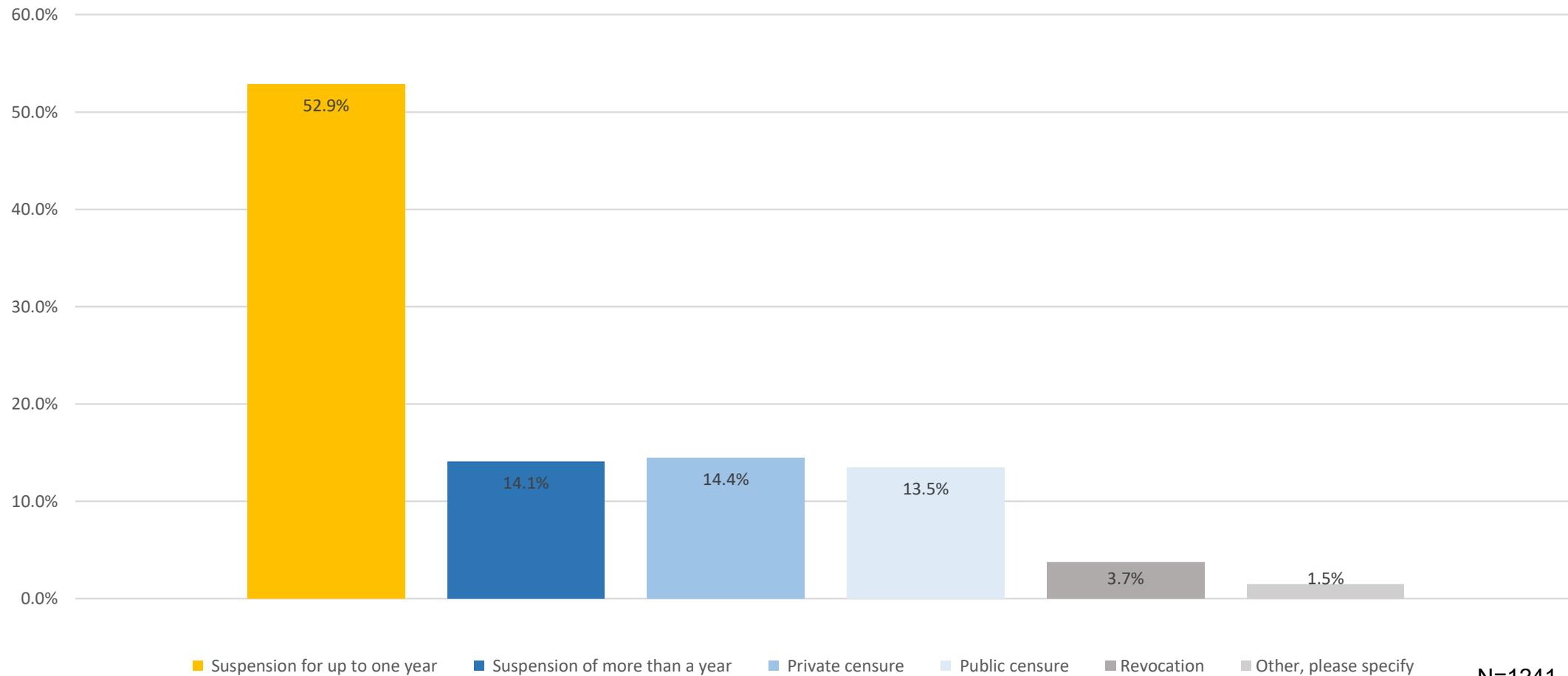
What baseline sanction do you believe is appropriate for the following categories of misconduct? Fraud, theft, or other dishonest conduct unrelated to financial services. The proposed sanction guideline is a Suspension for at Least a Year and a Day (subject to aggravating or mitigating factors).



# What Sanction Should Apply to Breach of Client Confidentiality or Privacy?



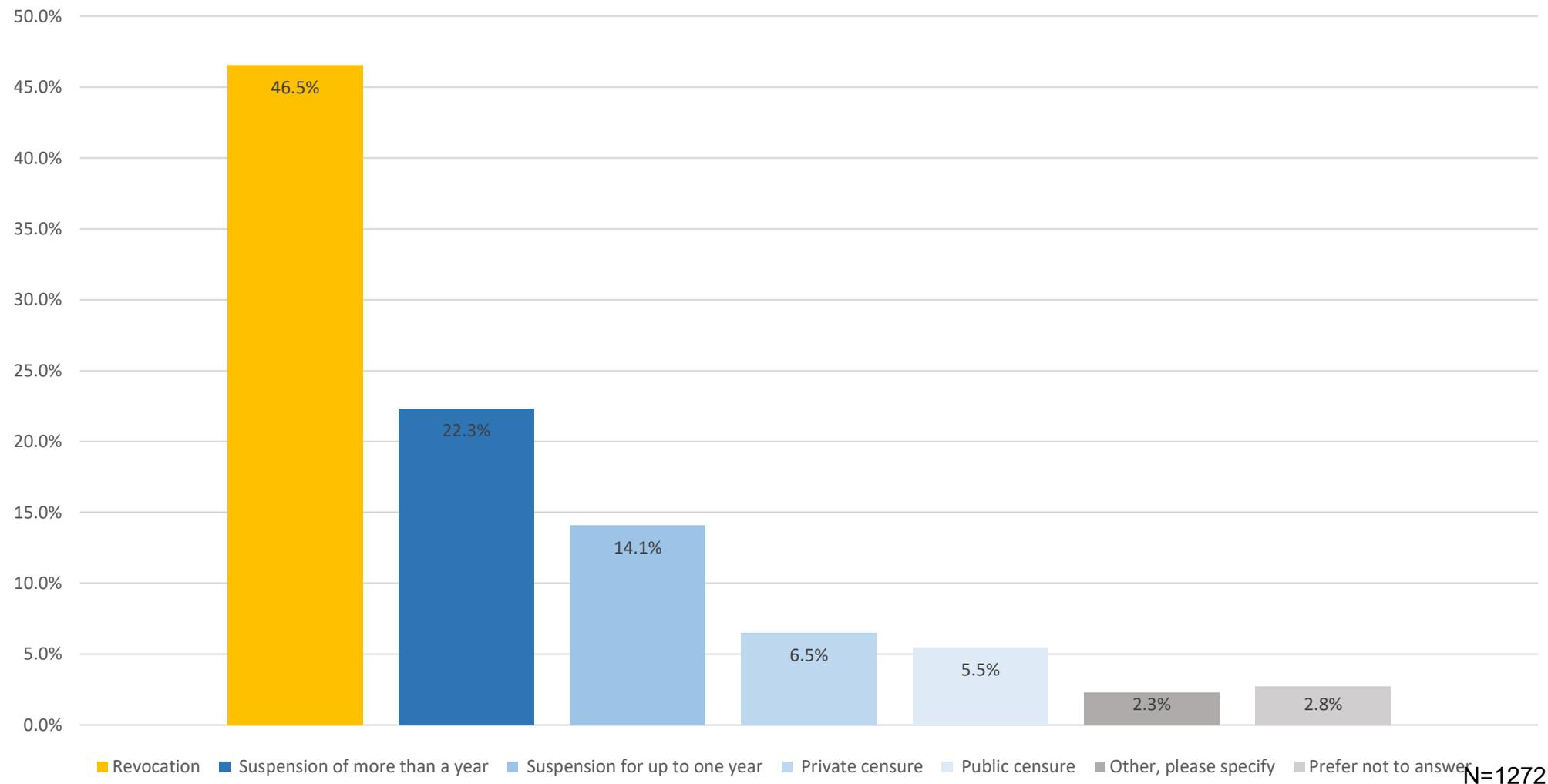
What baseline sanction do you believe is appropriate for the following categories of misconduct? Breach of client confidentiality or privacy. The proposed sanction guideline is a Suspension for Up to One Year (subject to aggravating or mitigating factors).



# What Sanction Should Apply to Breach of Fiduciary Duty?

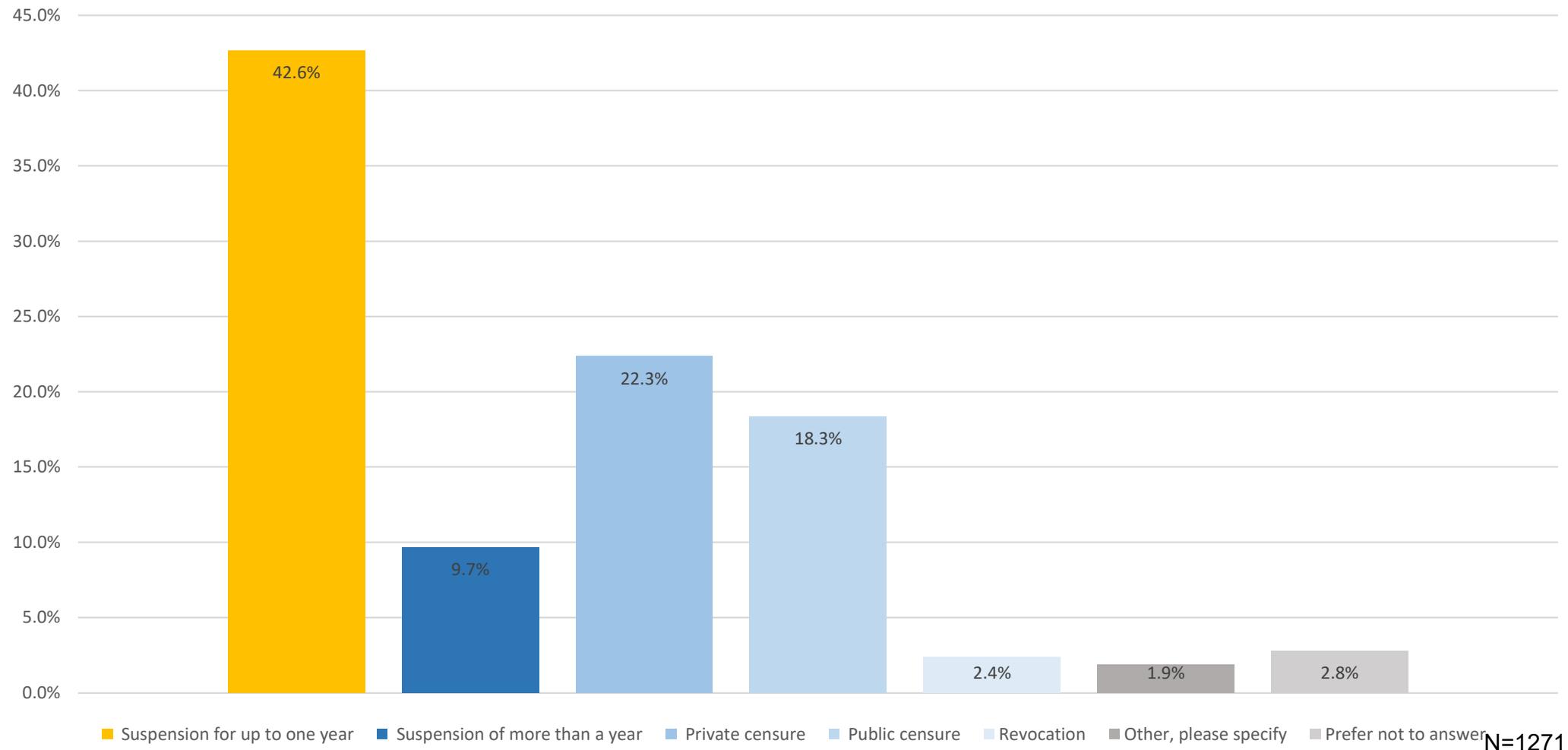


What baseline sanction do you believe is appropriate for the following categories of misconduct? Breach of Fiduciary Duty. The proposed sanction guideline is Revocation (subject to aggravating or mitigating factors).



# What Sanction Should Apply to Accepting a Gift?

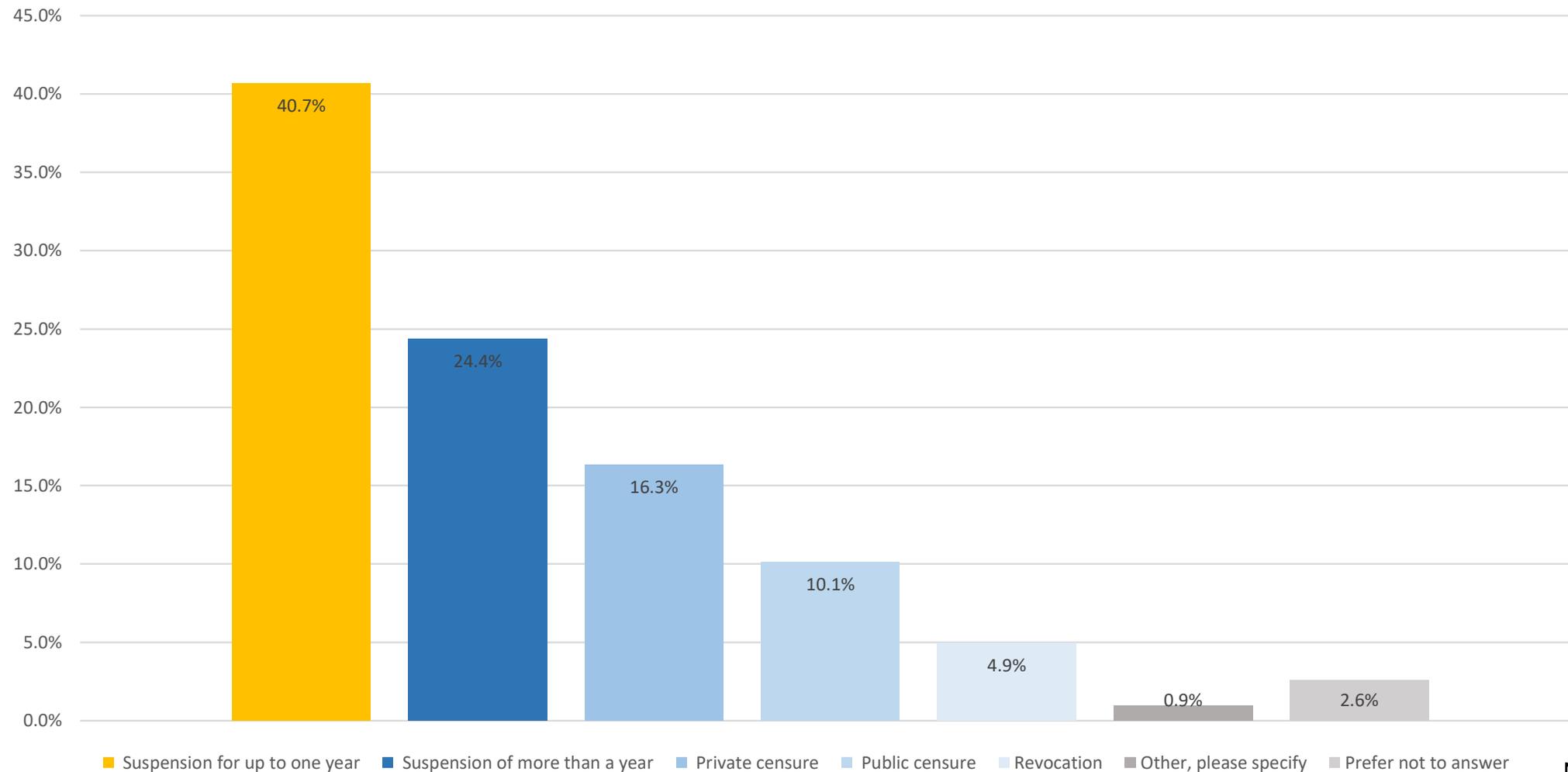
What baseline sanction do you believe is appropriate for the following categories of misconduct? Accepting a gift (e.g., the cost of a vacation) that would be viewed as compromising professional objectivity. The proposed sanction guideline is a Suspension for Up to One Year (subject to aggravating or mitigating factors).



# What Sanction Should Apply for Misrepresenting Continuing Education Participation?



What baseline sanction do you believe is appropriate for the following categories of misconduct? Misrepresenting to CFP Board that the CFP® professional participated in continuing education courses when the CFP® professional had not done so. The proposed sanction guideline is a Suspension of at Least a Year and a Day (subject to aggravating or mitigating factors).

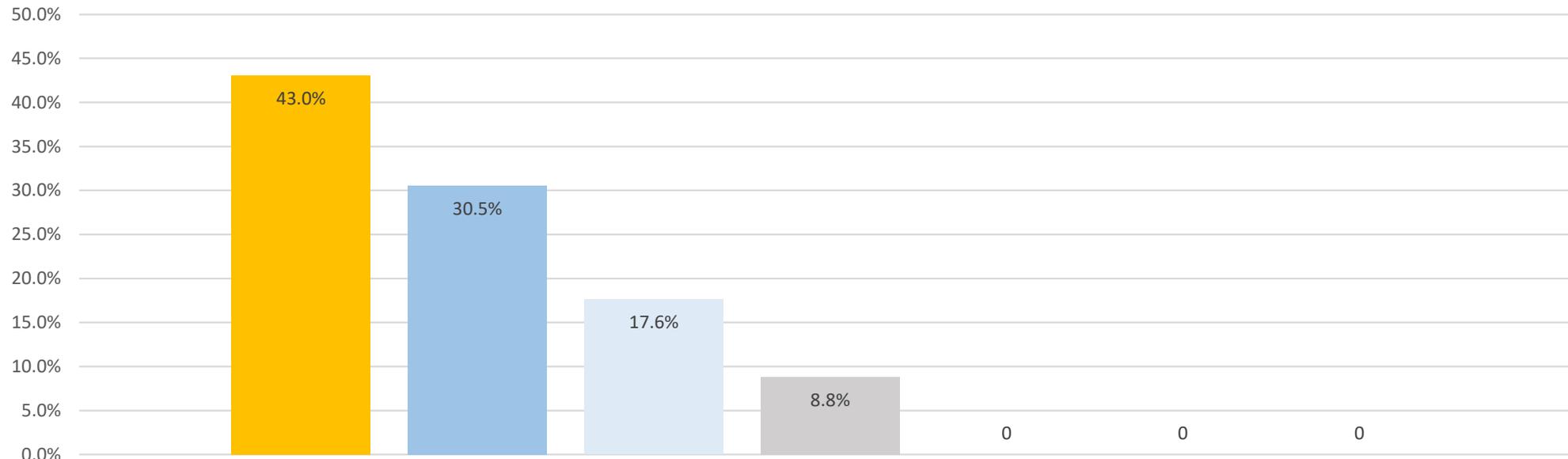


N=1273

# Should CFP Board Ever Remove Sanctions From the Website?



The Proposal does not include a process for removing a Public Sanction from CFP Board’s website. Regulators also do not remove Public Sanctions. Of the following responses, what most closely aligns with your opinion on the removal of Public Sanction’s from CFP Board’s website?

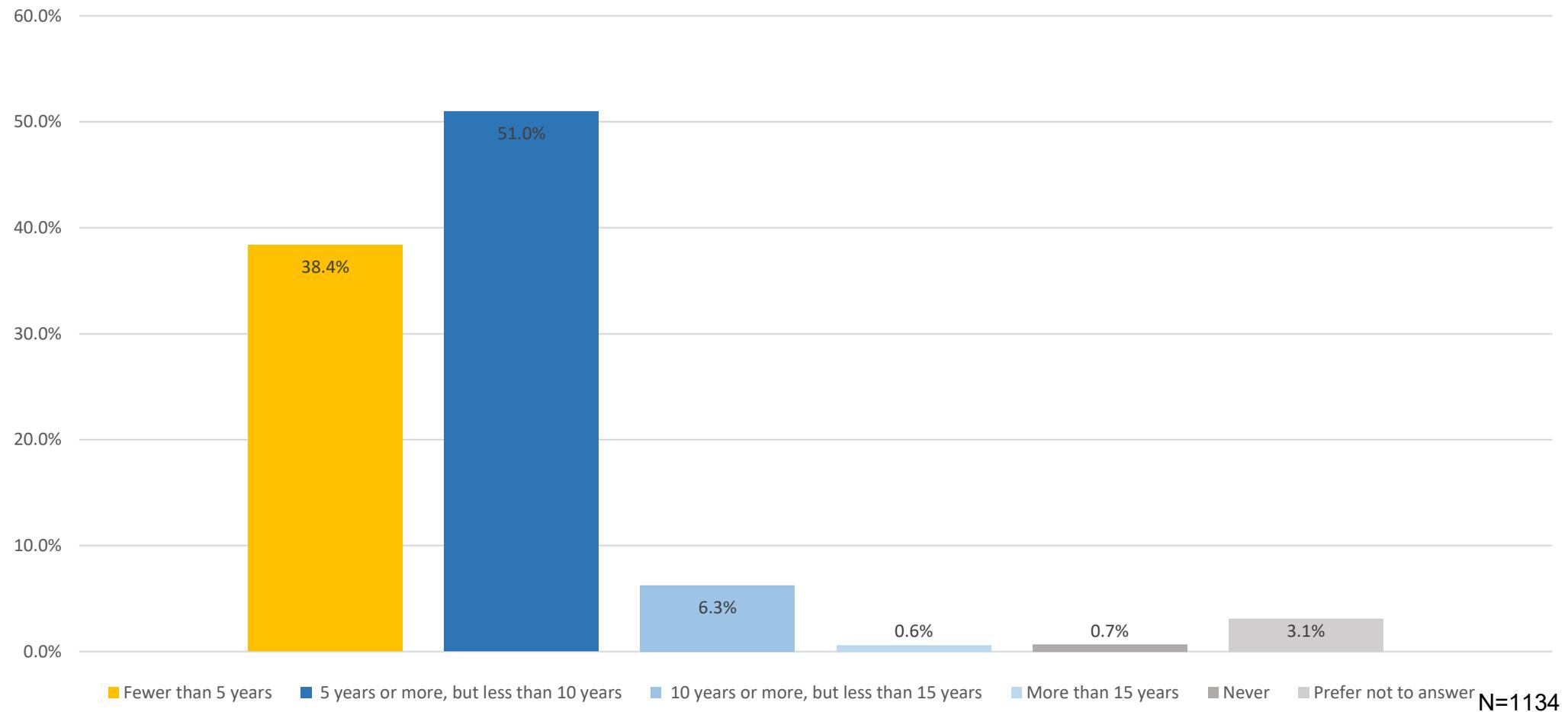


- There should be a process for a CFP® professional to petition for removal of certain Public Sanctions from CFP Board’s website (such as a Public Censure or Suspensions for conduct where there is no public harm) after the passage of a period of time, if
- There should be a process for a CFP® professional to petition for removal of any Public Sanction from CFP Board’s website after the passage of a period of time, if the CFP® professional can show that removal is appropriate
- Certain Public Sanctions (such as for conduct where there is no public harm) should automatically be removed from CFP Board’s website after the passage of a period of time
- All Public Sanctions should automatically be removed from CFP Board’s website after the passage of a period of time
- Public Sanctions should never be removed from the website
- Other
- Prefer not to answer

# If CFP Board Were to Remove Sanctions From the Website, How Much Time Should Pass First?



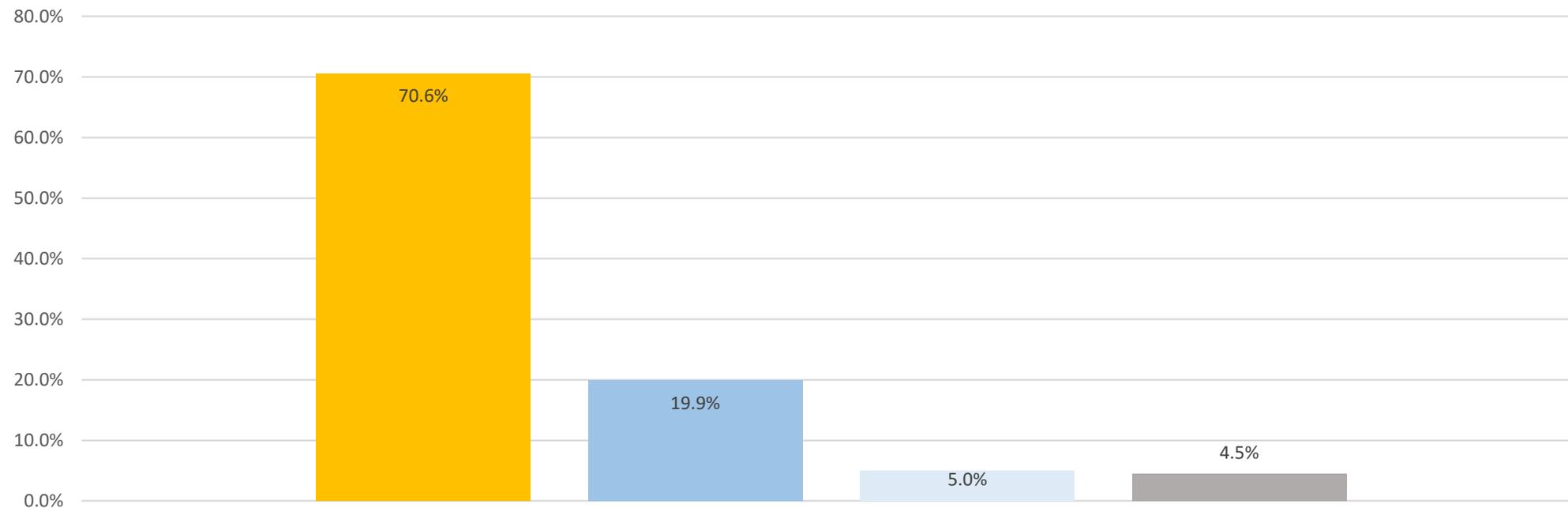
If you believe that there should be a process for removal of a Public Sanction from CFP Board's website, what amount of time should pass before the sanction may be removed?



# Should Length of Experience Be an Aggravating or Mitigating Factor?



Now let's take a look at a hypothetical situation: Two CFP® professionals separately engaged in professional misconduct on the same day and under the same situations. One individual involved has practiced for 25 years. The other individual has practiced for only 3 years.

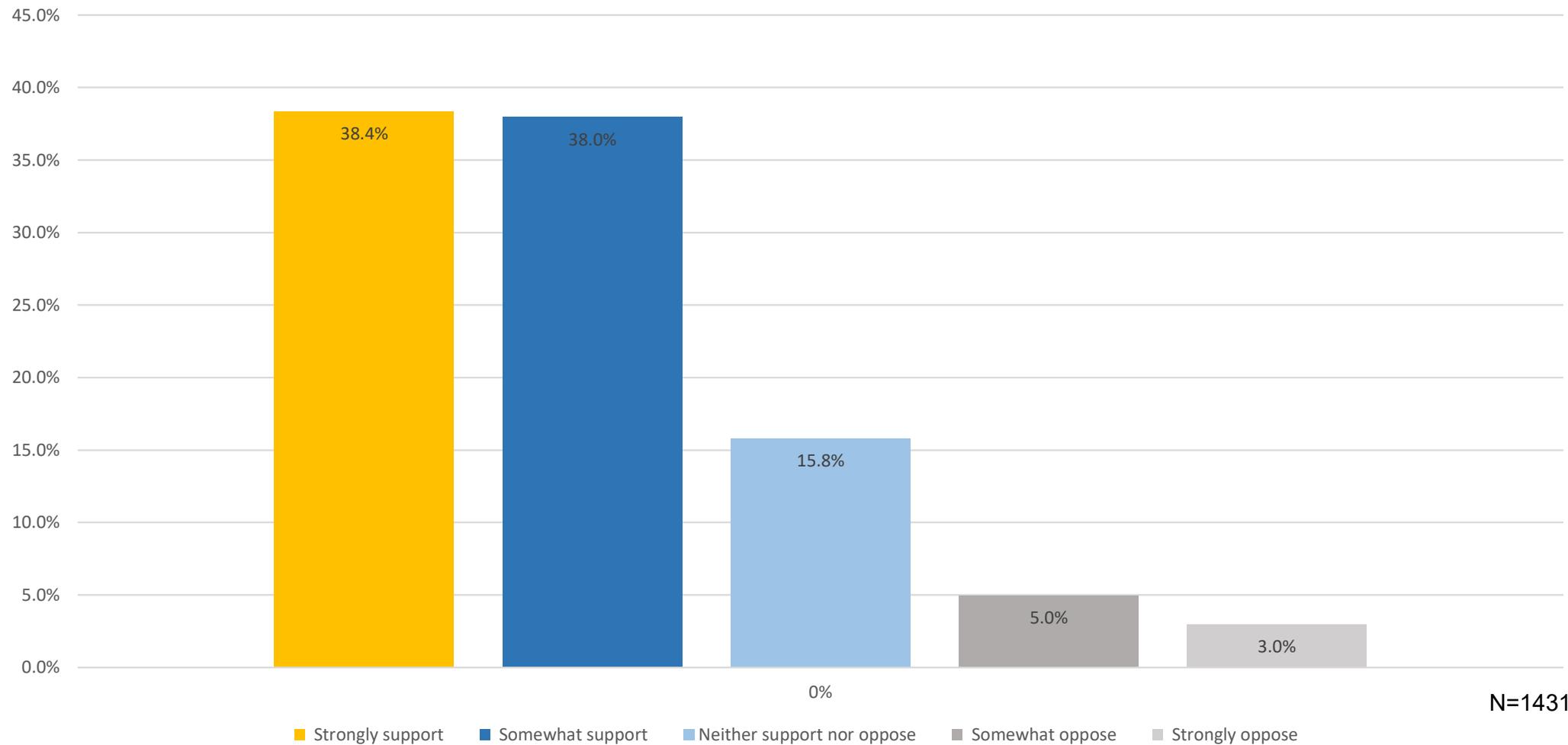


- The sanction should be the same for both CFP® professionals
- The CFP® professional with more experience should have a more stringent sanction than the CFP® professional with less experience
- The CFP® professional with less experience should have a more stringent sanction than the CFP® professional with more experience
- Prefer not to answer

N=1431

# Should the DEC Have the Ability to Issue Private Censures?

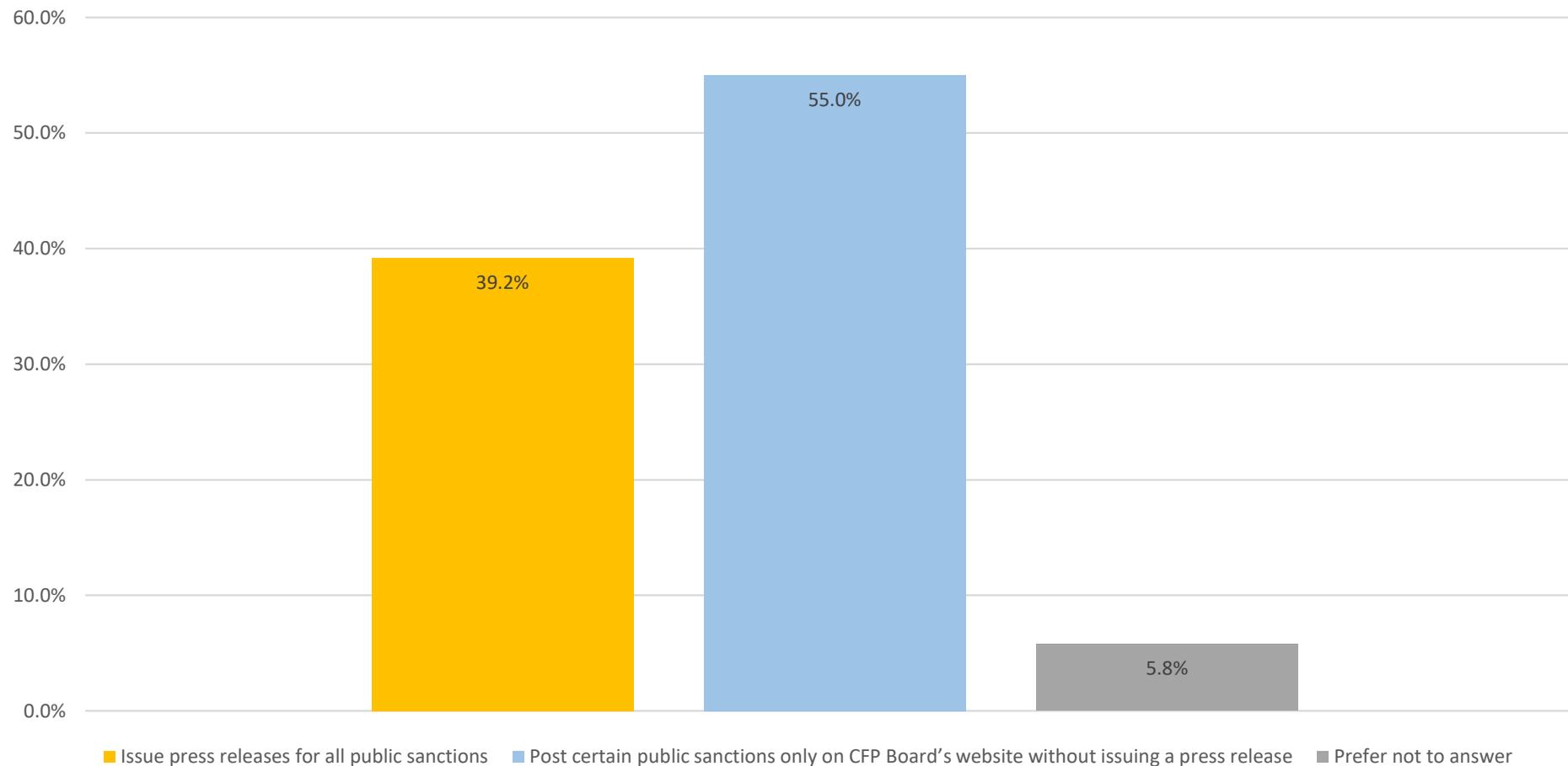
To what extent do you support or oppose permitting the Disciplinary and Ethics Commission to have the flexibility to issue a private censure in appropriate circumstances?



# Should CFP Board Continue to Issue Press Releases?



Should CFP Board?: (a) Continue to issue press releases for all public sanctions or (b) Post certain public sanctions on CFP Board's website without issuing a press release?

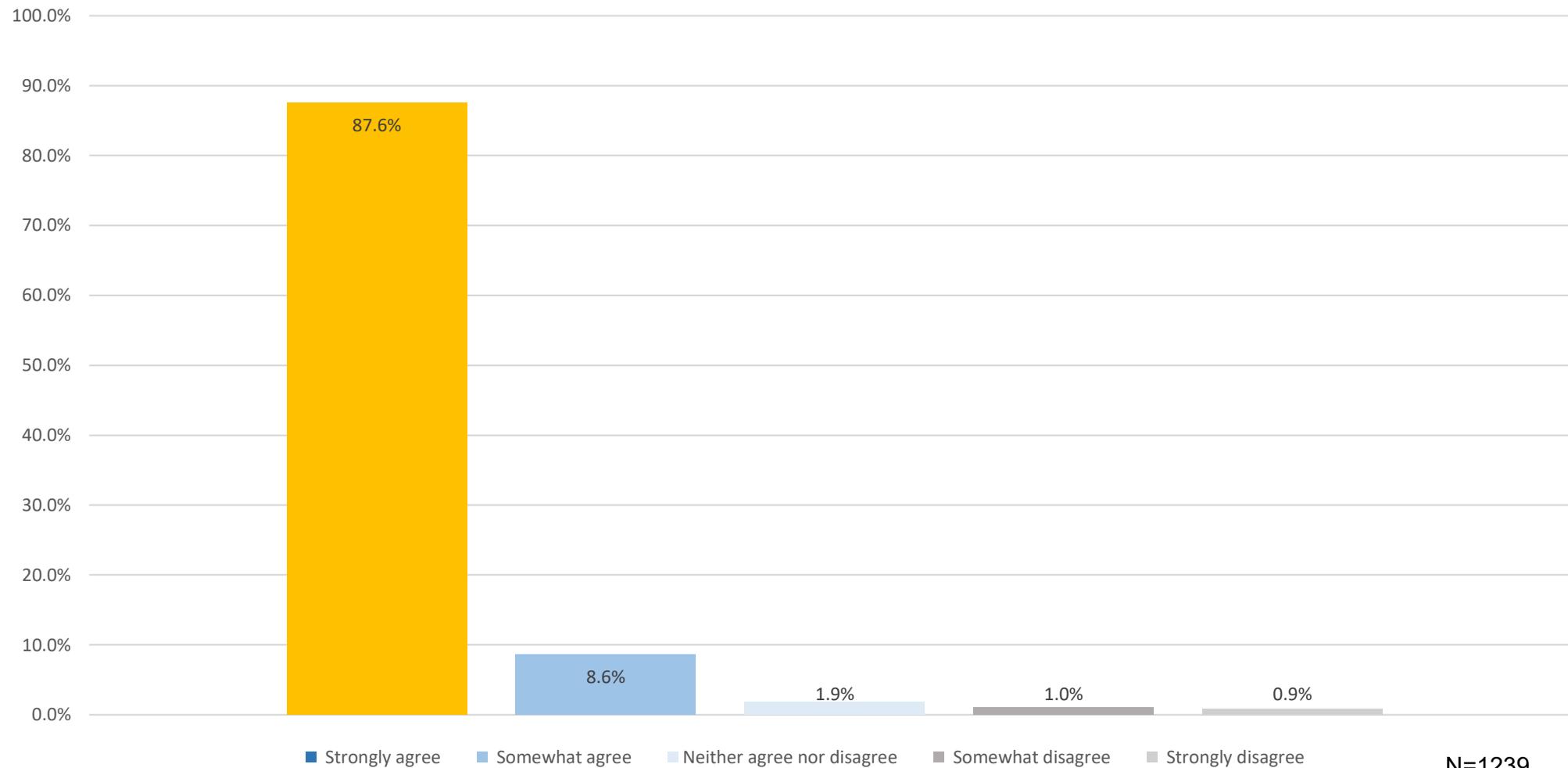


N=1247

# Should a Felony Conviction Involving Theft or Dishonesty Result in an Absolute Bar?



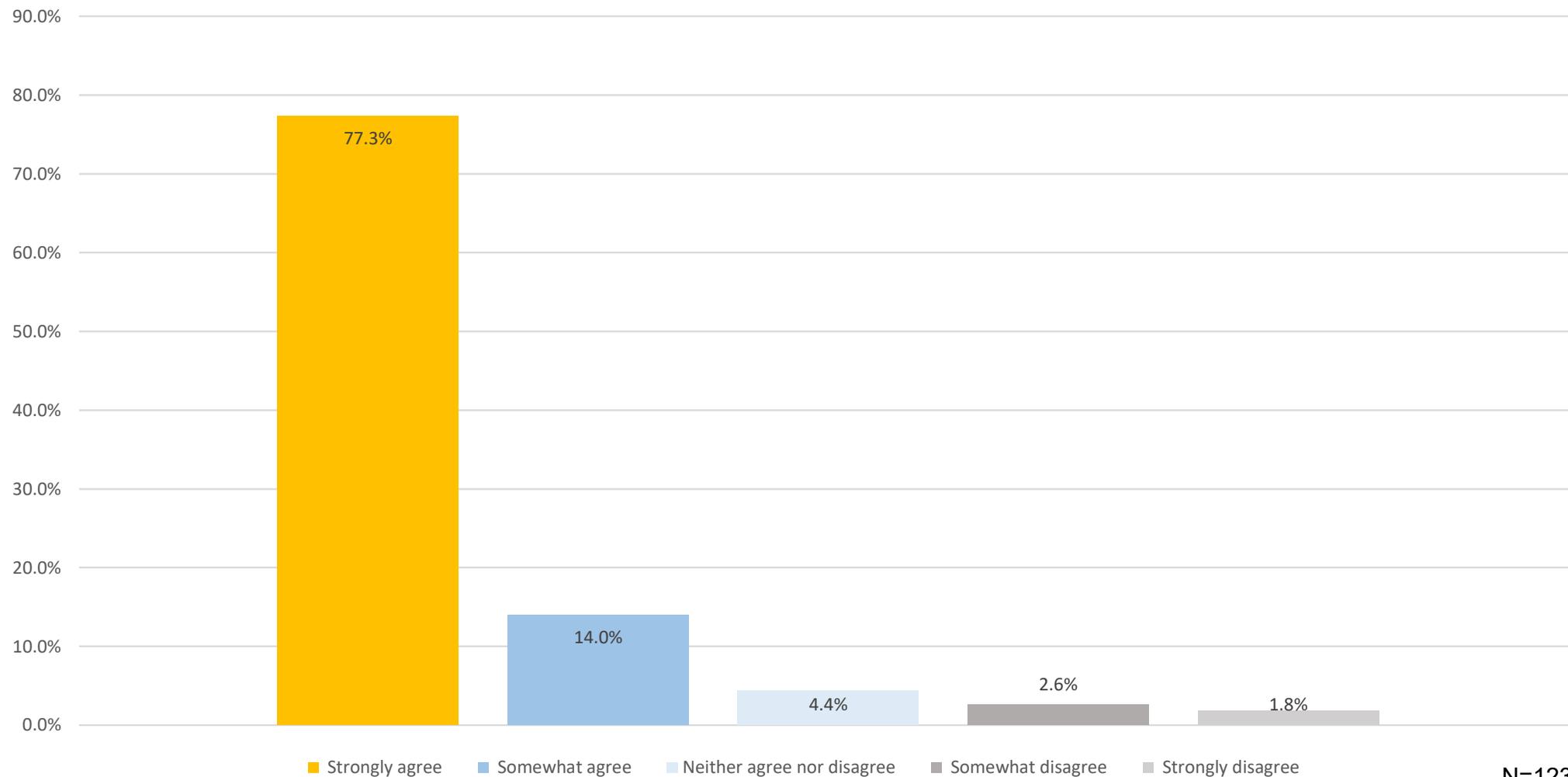
To what extent do you agree or disagree that CFP Board should bar an individual from ever becoming certified due to a felony conviction for the following: Felony involving theft or dishonesty (such as embezzlement, perjury, or participating in a Ponzi scheme)



# Should a Felony Conviction Involving Violence Result in an Absolute Bar?



To what extent do you agree or disagree that CFP Board should bar an individual from ever becoming certified due to a felony conviction for the following: Felony involving violence (such as kidnapping or sexual assault)

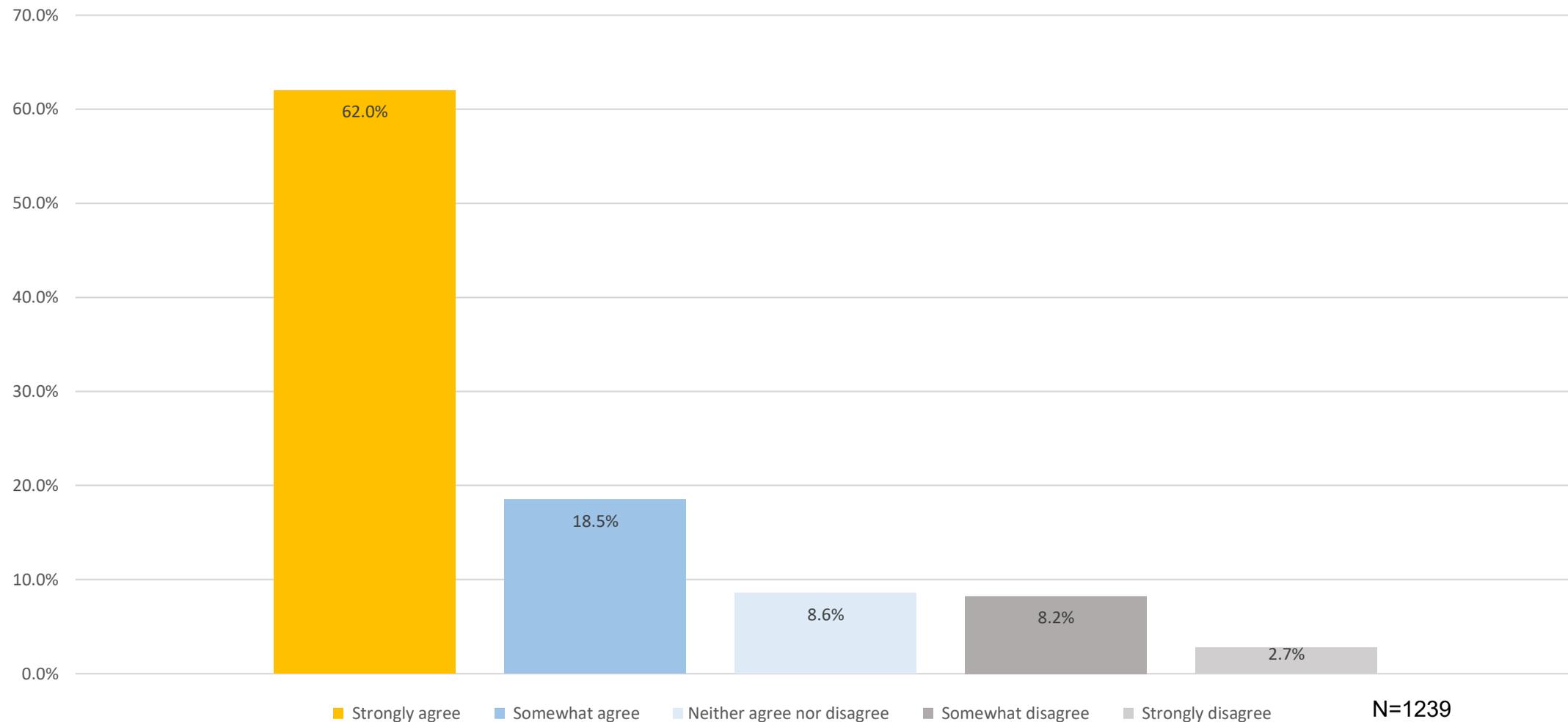


N=1239

# Should a Felony Conviction Involving Drug Trafficking Result in an Absolute Bar?



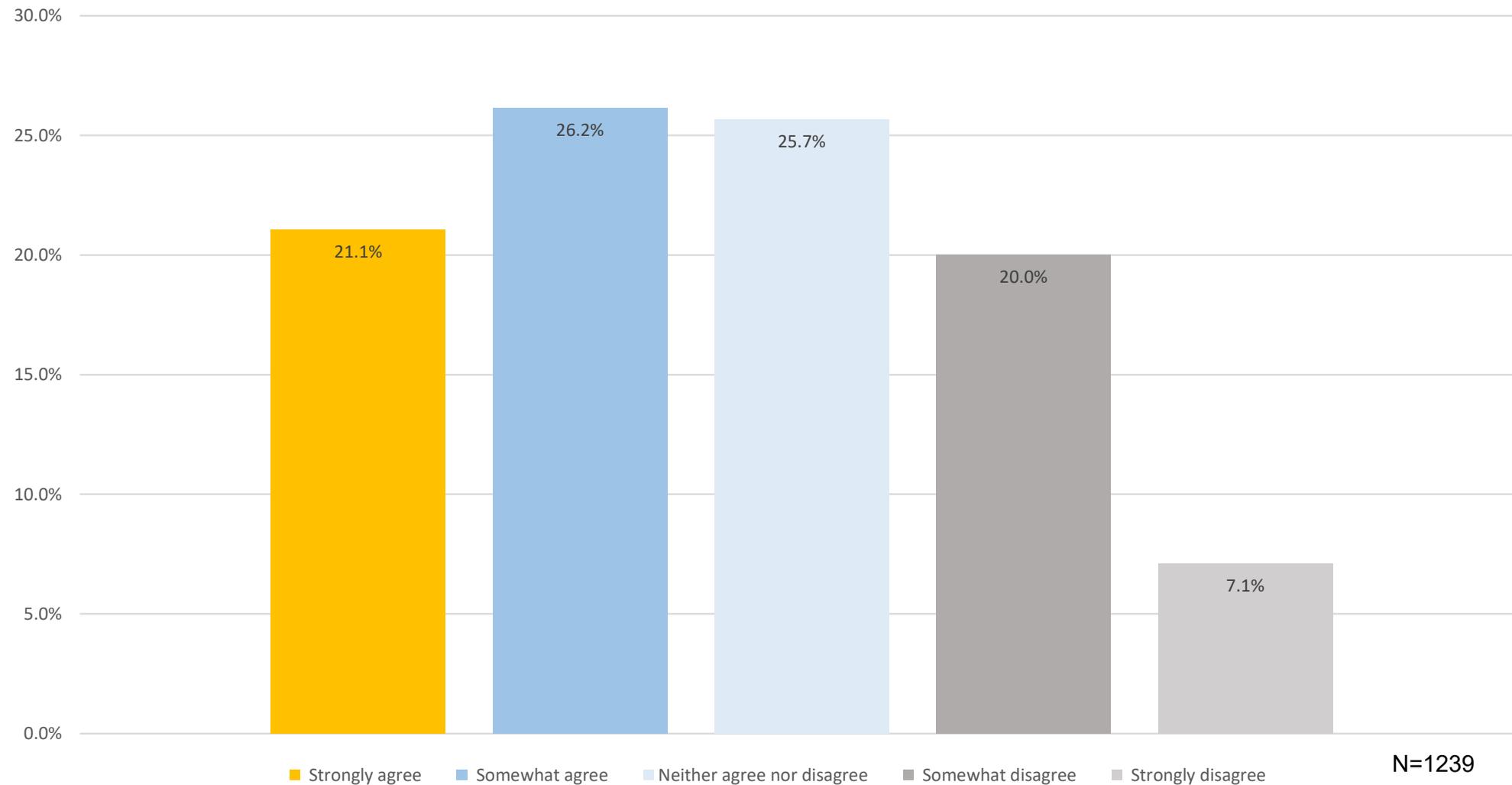
To what extent do you agree or disagree that CFP Board should bar an individual from ever becoming certified due to a felony conviction for the following: Felony involving drug trafficking



# Should a Felony Conviction Involving Vehicular Manslaughter Result in an Absolute Bar?



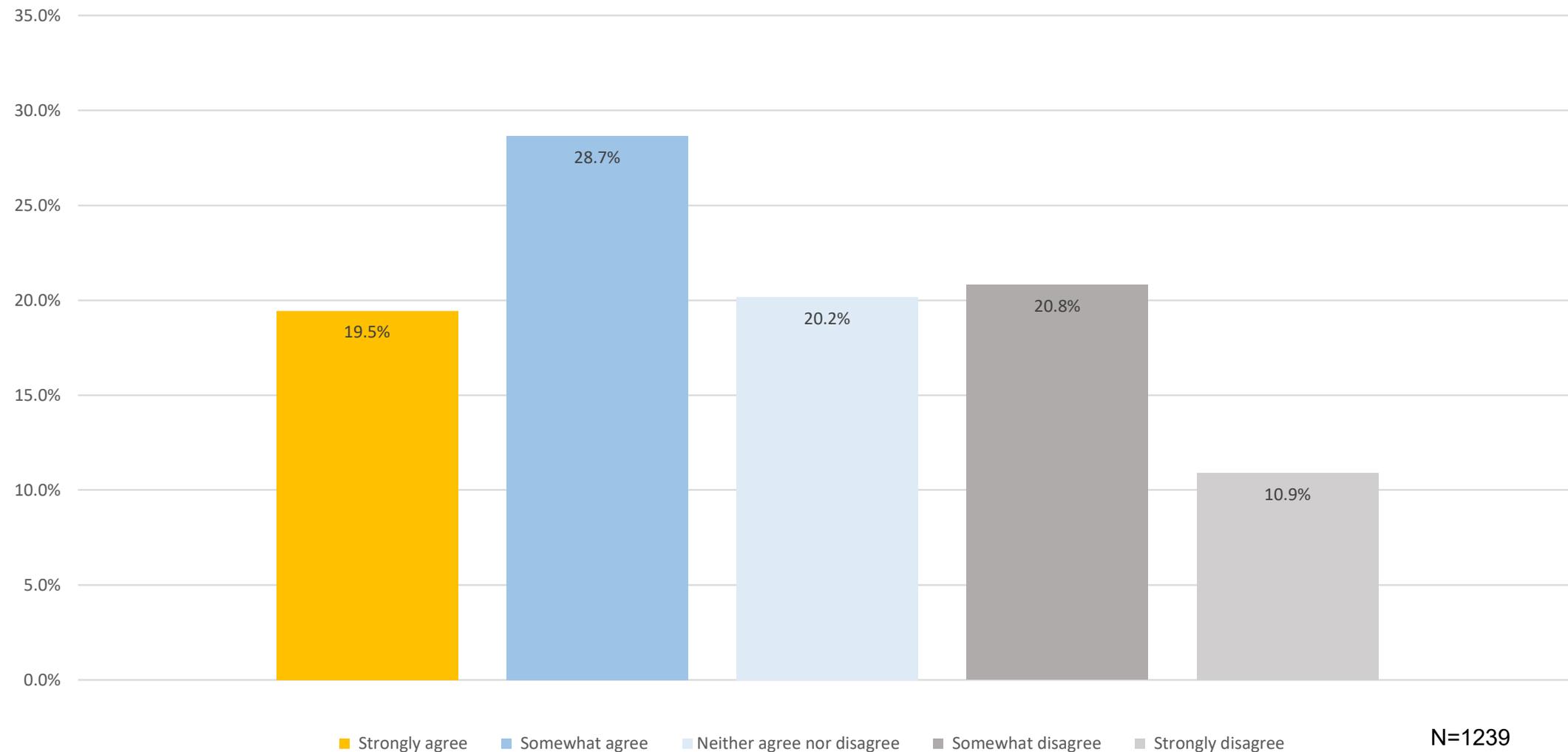
To what extent do you agree or disagree that CFP Board should bar an individual from ever becoming certified due to a felony conviction for the following: Felony involving vehicular manslaughter



# Should a Felony Conviction, Regardless of Underlying Conduct, Result in an Absolute Bar?



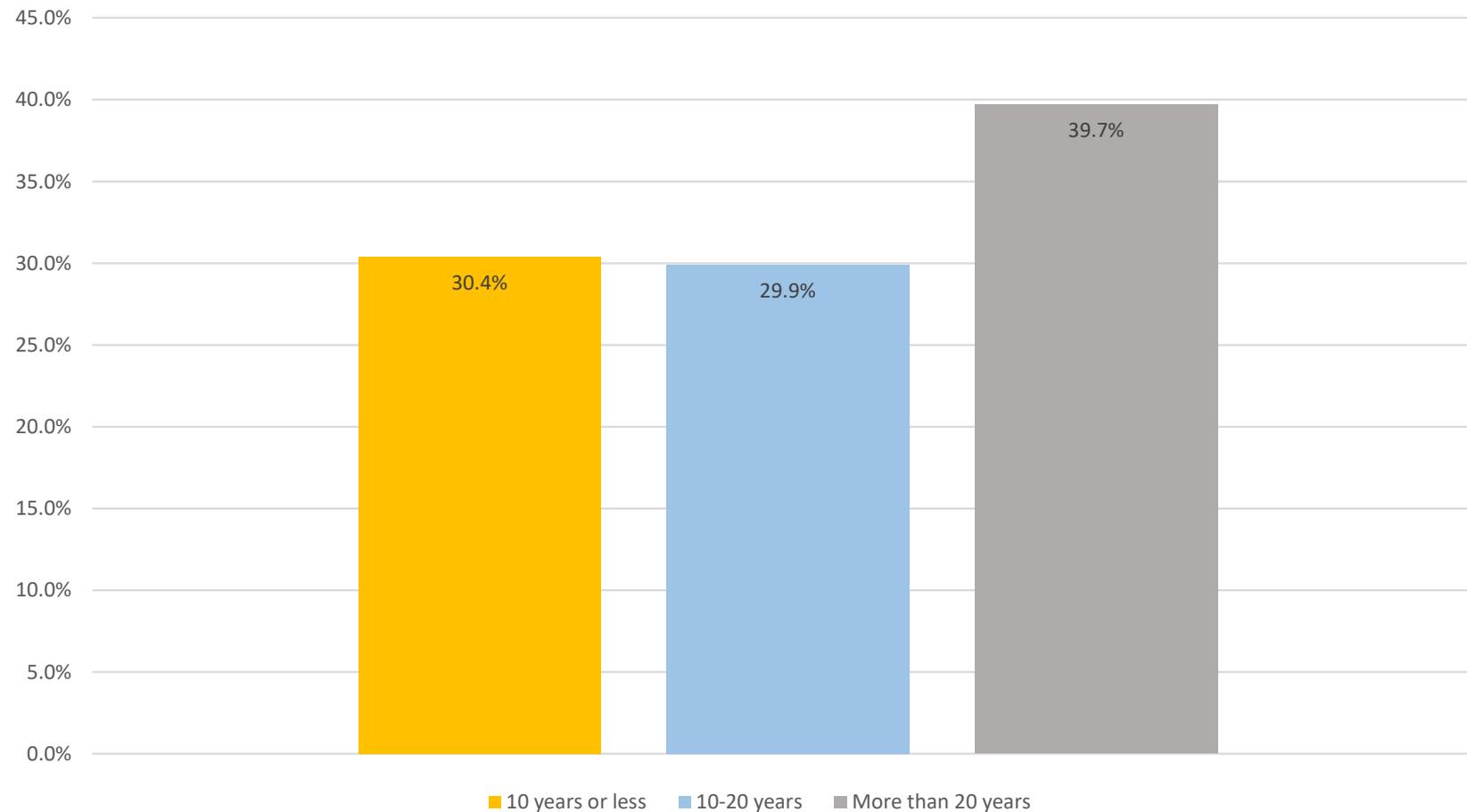
To what extent do you agree or disagree that CFP Board should bar an individual from ever becoming certified due to a felony conviction for the following: Any felony conviction, regardless of the underlying conduct



# How Long Should Those With Felony Convictions Be Barred From Certification?



Consider situations in which CFP® candidates can be barred from certification by CFP Board due to a felony conviction (such as a felony conviction for money laundering). Assuming the candidate has served the sentence, how long should CFP Board bar the individual from being certified? (The law may still permit the individual to practice financial planning.)

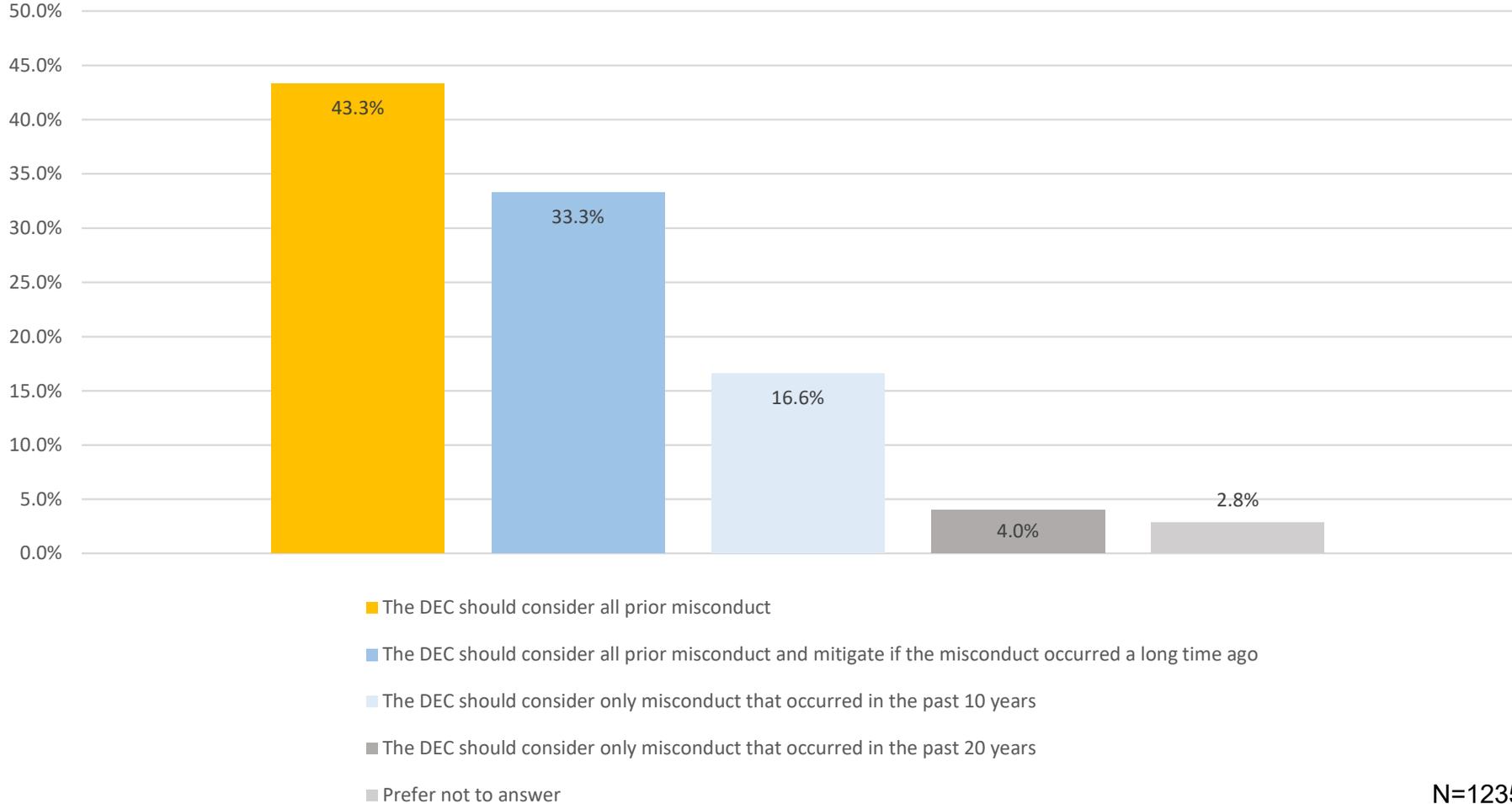


N=1237

# Should the DEC Be Able to Consider All of an Applicant's Prior Misconduct?



In evaluating a candidate's fitness for certification, should the DEC be permitted to consider all the applicant's prior misconduct, or only misconduct that has occurred more recently?

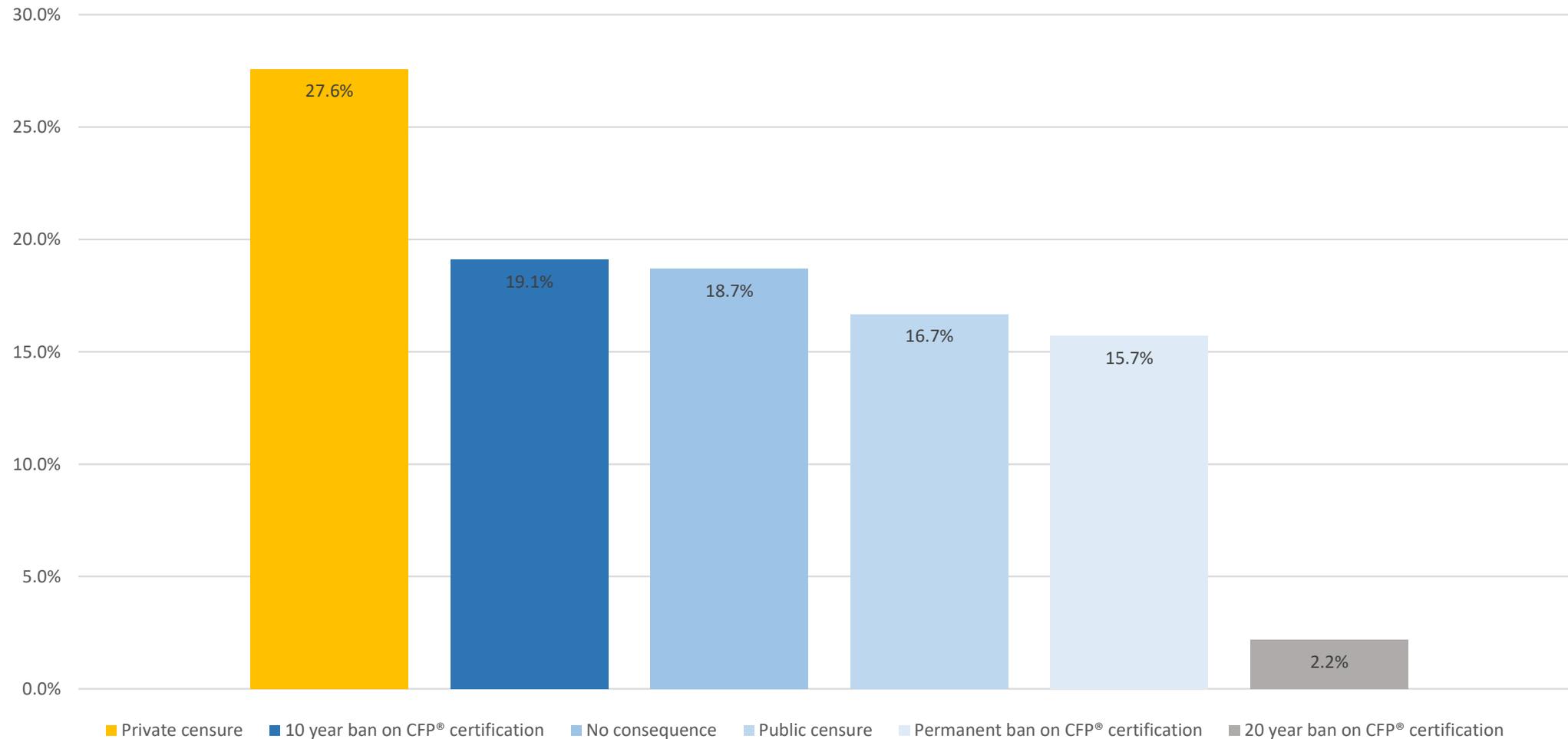


N=1235

# What Sanction Should Apply for Sharing Exam Answers?



Consider candidates for CFP® certification who have allegedly engaged in exam misconduct. To what extent do you agree with the following as sanctions for misconduct in the following situation: Candidate shared answers with others after taking the exam

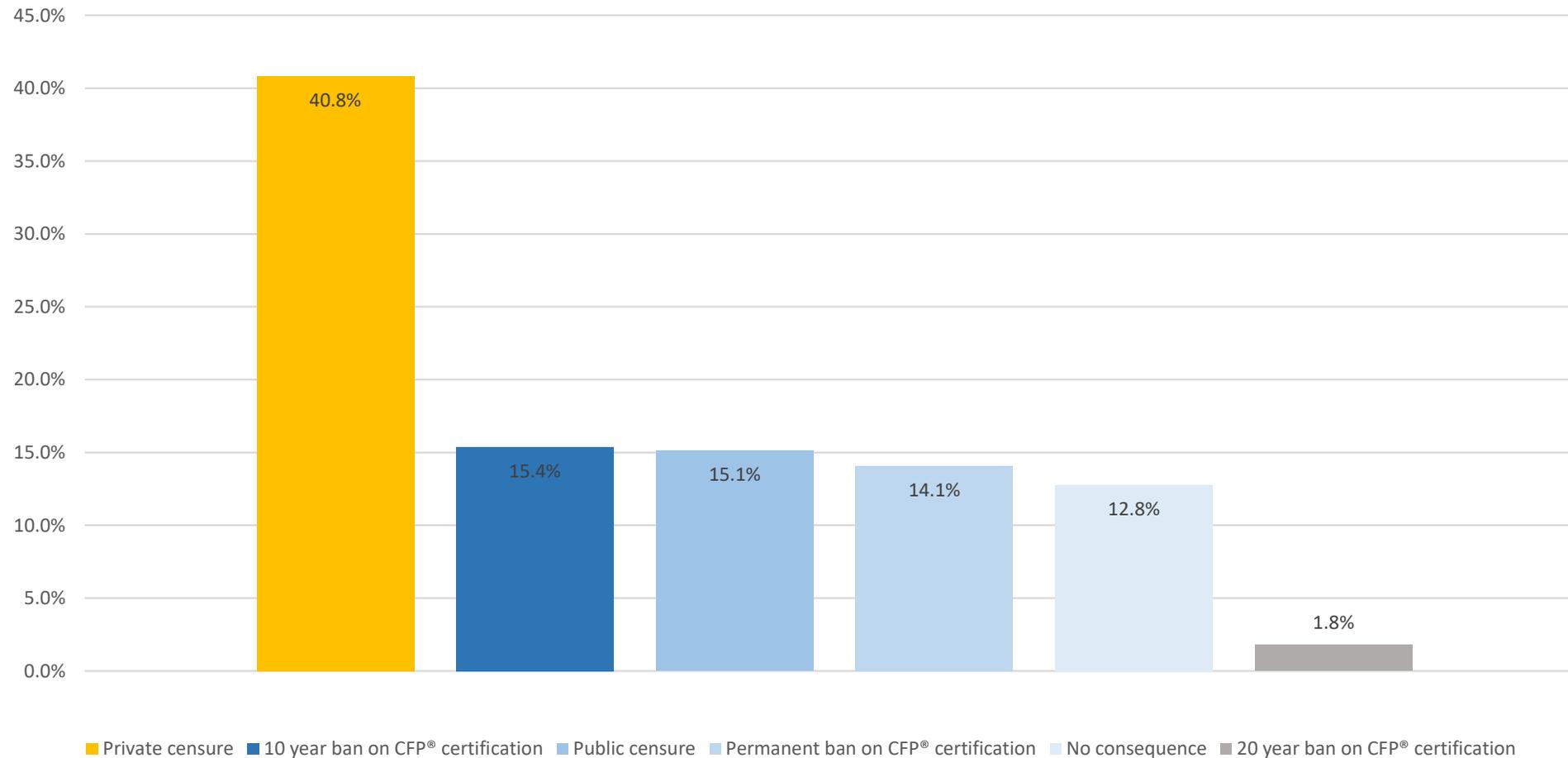


N=1229

# What Sanction Should Apply for Removing and Destroying Exam Materials?



Consider candidates for CFP® certification who have allegedly engaged in exam misconduct. To what extent do you agree with the following as sanctions for misconduct in the following situation: Took exam materials with them out of the testing center but destroyed them

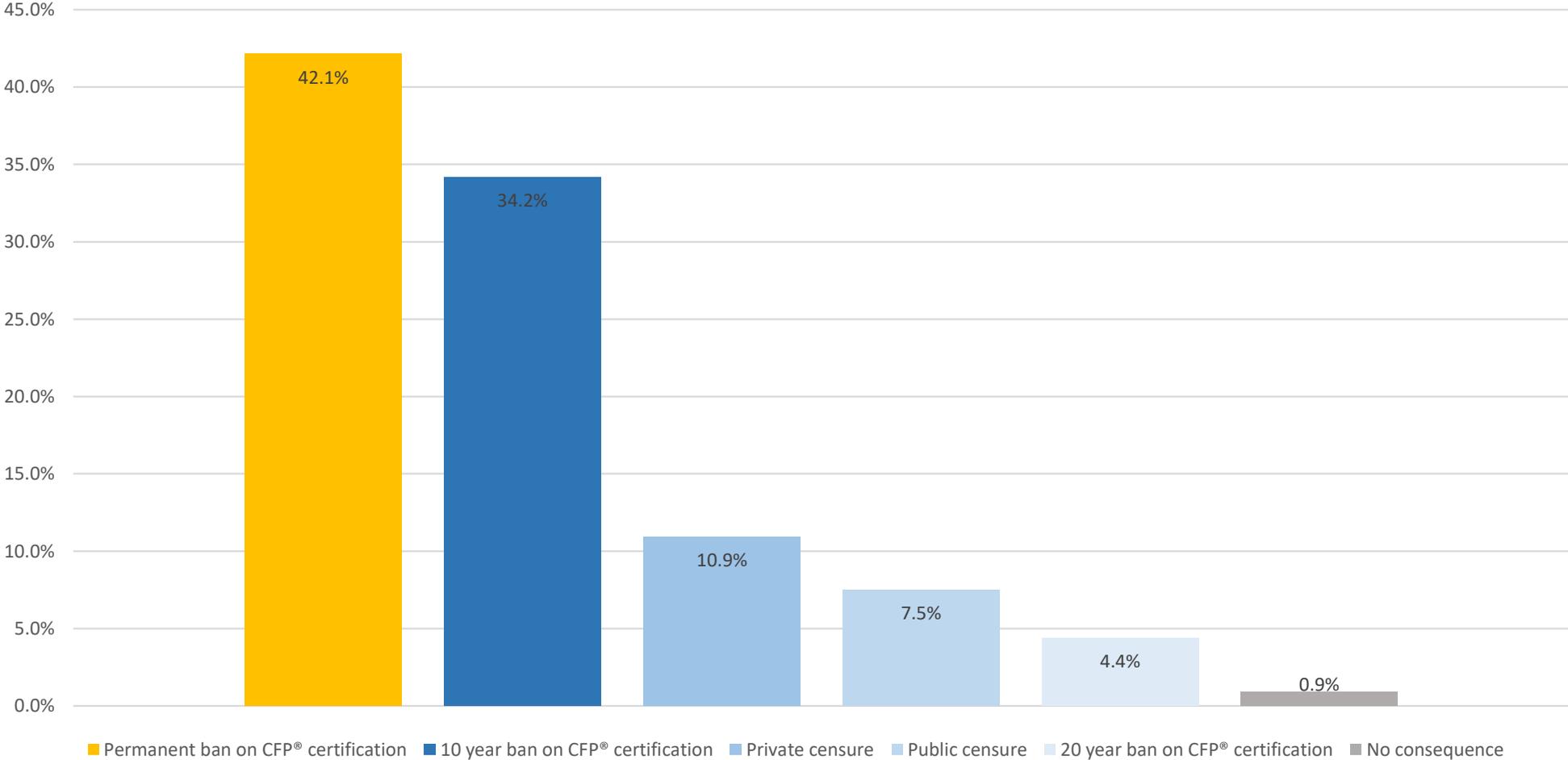


N=1229

# What Sanction Should Apply for Using a Phone During the Exam?



Consider candidates for CFP® certification who have allegedly engaged in exam misconduct. To what extent do you agree with the following as sanctions for misconduct in the following situation: Looked at answers on their phone while taking the exam

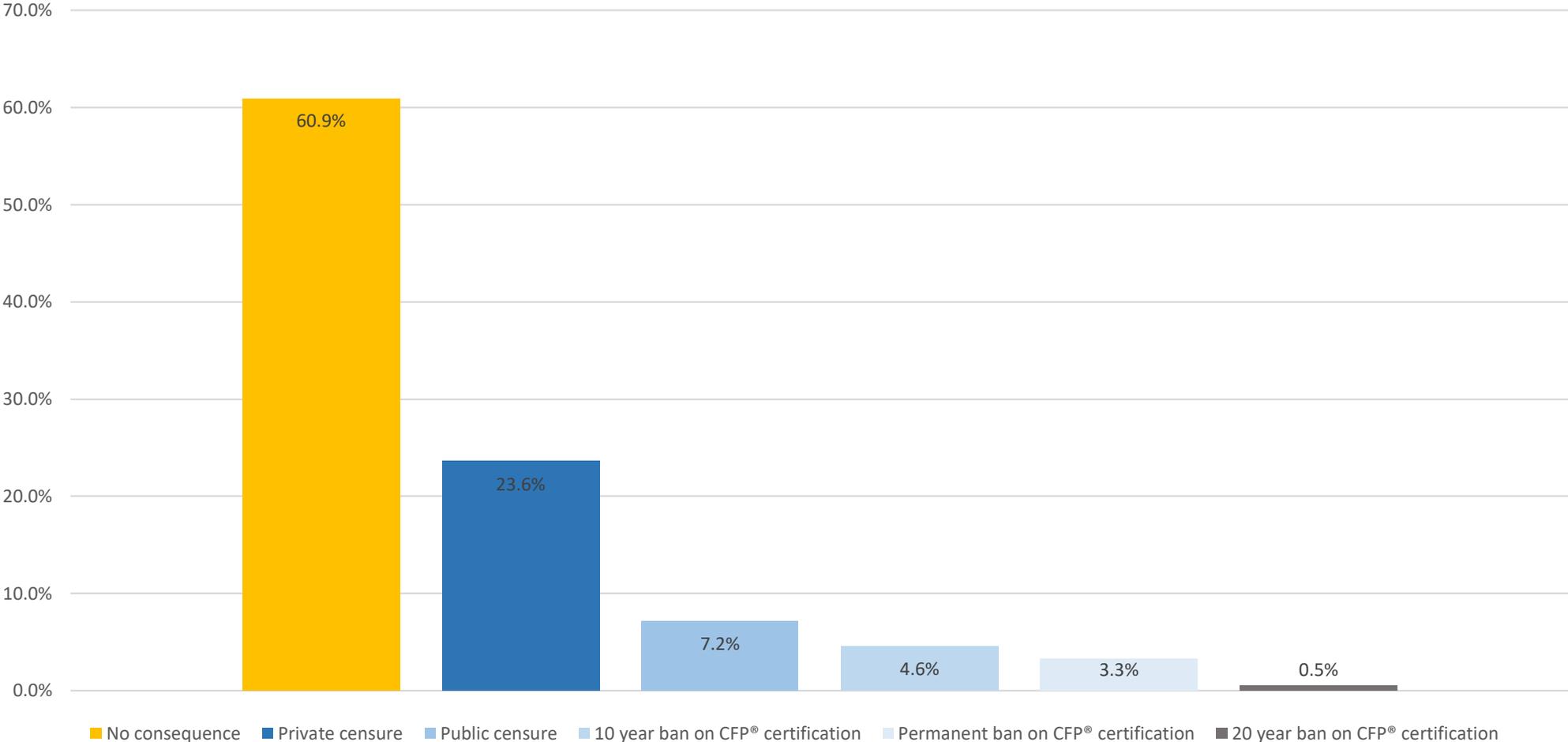


N=1229

# What Sanction Should Apply for Giving Advice to Others After the Exam?



Consider candidates for CFP® certification who have allegedly engaged in exam misconduct. To what extent do you agree with the following as sanctions for misconduct in the following situation: Gave advice to others on what topics to focus on for the exam after having taken the exam themselves

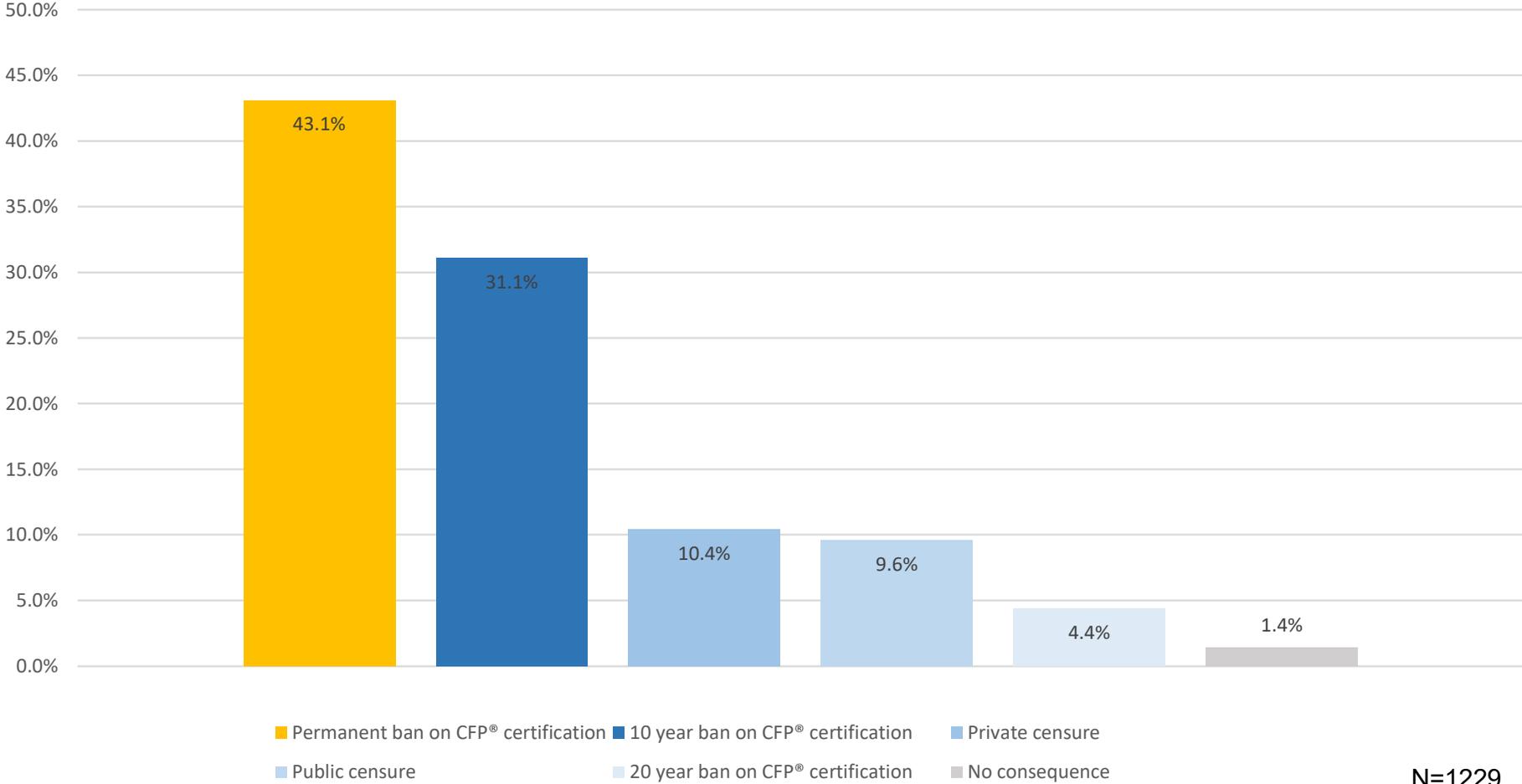


N=1229

# What Sanction Should Apply for Obtaining a Copy of the Exam to Study?



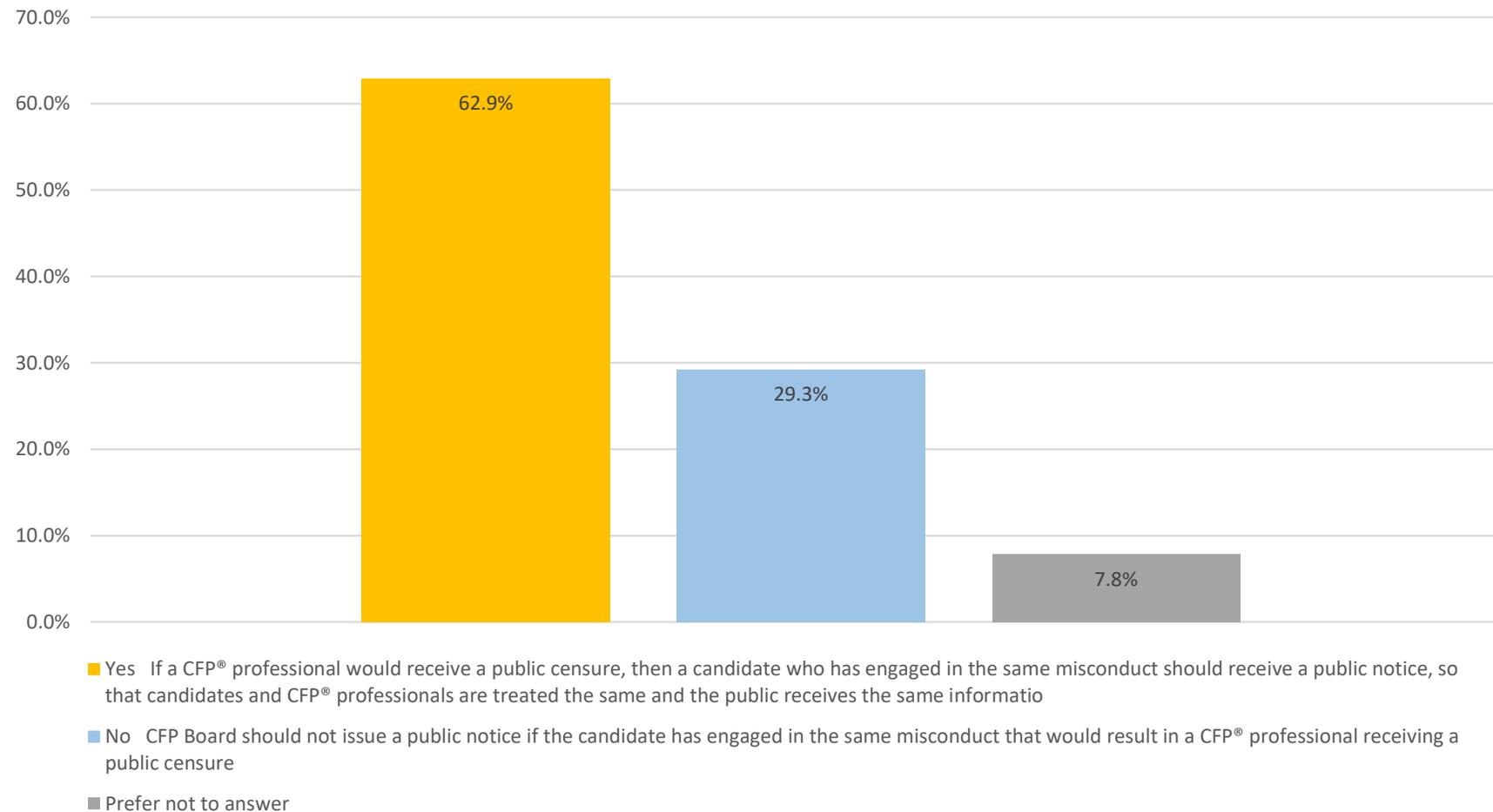
Consider candidates for CFP® certification who have allegedly engaged in exam misconduct. To what extent do you agree with the following as sanctions for misconduct in the following situation: Surreptitiously obtained the exam ahead of their test date and used it to study



# Should There Be Parity Between Candidates and CFP® Professionals?



Should the consequences of misconduct be the same for candidates as it is for CFP® professionals?



N=1227