



## Press Release

### **IFPHK takes action against a CFP certificant for breaches of the Code of Ethics and Professional Responsibility**

(4 December, Hong Kong) IFPHK has carried out an investigation and disciplinary action against a CFP professional, based on her actions that violated IFPHK Code of Ethics and Professional Responsibility. These include:

- (a) Conducting transactions through client's account on a discretionary basis without obtaining written authorization from the client; and
- (b) Failure to disclose to her employer(s) the beneficial interests on conducting personal trading activities using the client's securities account

that resulted in an SFC suspension for a period of 4 months.

IFPHK Professional Ethics Review Board found that the CFP professional had breached Rules 102, 103(a), 409, 414, 606 and 607 of the IFPHK Code of Ethics and Professional Responsibility by the above conduct.

The CFP professional is also found to have breached Article 11.2 of the IFPHK Disciplinary Rules and Procedures in that she had knowingly did not notify IFPHK in writing of her SFC suspension within the required period of 10 calendar days.

IFPHK considers trading by using a client's account a major breach of conduct and professionalism as it can seriously affect the reputation of CFP professionals and investors' confidence in the CFP certification mark.

Taking into consideration that the CFP professional had also failed to notify IFPHK of the SFC suspension and had not replied to IFPHK's formal complaint, the Institute has decided to suspend the CFP professional's right to use the CFP certification marks for five (5) months from 21 October 2009. The above sanction also takes into consideration the CFP professional's admissions and her apologetic attitude during the disciplinary hearing.

*"IFPHK aims to promote high standards of professionalism within the CFP professional community. We emphasize strict adherence to our code of ethics and will continue to be vigilant in monitoring reported violations and breaches of the code. CFP professionals should also know that we will not allow individuals to get around our disciplinary process by not responding to our investigation enquiries,"* said Angeline Chin, CEO of IFPHK.

#### Note:

Investors can check the registration status of their CFP professionals by visiting our website at: [http://www.ifphk.org/en\\_CFP\\_search.aspx](http://www.ifphk.org/en_CFP_search.aspx).

To submit a complaint, investors need to submit the completed complaint form at: [http://www.ifphk.org/pdf/Complaint\\_lodge\\_consumer\\_page/Complaint\\_Form.pdf](http://www.ifphk.org/pdf/Complaint_lodge_consumer_page/Complaint_Form.pdf)

**CFP<sup>CM</sup> Certification** *Global excellence in financial planning*

CFP<sup>CM</sup>, CERTIFIED FINANCIAL PLANNER<sup>CM</sup> and  are certification marks owned outside the U.S. by Financial Planning Standards Board Ltd. (FPSB). The Institute of Financial Planners of Hong Kong is the marks licensing authority for the CFP marks in Hong Kong and Macau, through agreement with FPSB.