



**FPSC FINANCIAL
PLANNING
STANDARDS
COUNCIL®**

REPORT ON DISCIPLINARY ACTION

Details of Hearing: Dan Vivian Wang (Vancouver, BC)

On February 13, 2019, a Financial Planning Standards Council (FPSC®) Discipline Hearing Panel accepted a Joint Settlement Agreement between FPSC and Dan Vivian Wang, and ordered, among other penalties, that Ms. Wang be banned from seeking renewal or reinstatement of her CFP certification prior to August 2020.

Background

Ms. Wang was certified by FPSC as a CERTIFIED FINANCIAL PLANNER® professional in August 2010, and remained certified until March 31, 2018, after which her certification lapsed due to non-renewal. At the time of the Hearing, Ms. Wang was not certified by FPSC. She does not have a prior discipline history with FPSC.

In August 2017, Ms. Wang was sanctioned by a financial services regulator and, among other penalties, was prohibited from conducting securities related business for six (6) months. Ms. Wang failed to report the investigation by the financial services regulator or the resulting prohibition to FPSC, as required.

Ms. Wang accepted \$15,000 in cash from her client and deposited the funds into her personal bank account in two transactions to avoid reporting obligations. FPSC undertook an independent review of Ms. Wang's conduct commencing in June 2017.

Applicable Standard

The underlying conduct occurred between December 2014 and March 2015 and was, accordingly, governed by the *Standards of Professional Responsibility for CFP® Professionals and FPSC Level 1™ Certificants in Financial Planning*, in force from November 2014 until May 2015.

Admitted Conduct

In the Settlement Agreement with FPSC, Ms. Wang admitted that she:

- Acted without integrity, contrary to Principles 2, 3, 7, and 8 of the *Code of Ethics*, and Rules 1 and 2 of the *Rules of Conduct*, when, after having accepted \$15,000 in cash from her client, she:
 - Misled by falsely stating she had returned the funds to her client; and
 - Attempted to circumvent Large Cash Transaction Reporting requirements by depositing the \$15,000 cash into her personal account in two transactions;
- Comingled client funds, contrary to Rule 7(e) of the *Rules of Conduct*;
- Failed to promptly return funds that her client was entitled to, contrary to Rule 7(d) of the *Rules of Conduct*;

- Failed to perform financial planning in accordance with applicable laws, regulations, rules or established policies of governmental agencies and other applicable authorities, contrary to Rule 18 of the *Rules of Conduct*;
- Failed to meet her disclosure obligations to FPSC, contrary to Principle 2 of the *Code of Ethics*; and
- Misleading FPSC when submitting applications to renew her CFP certification for the years 2016/2017 and 2017/2018, contrary to Rule 25 of the *Rules of Conduct*.

FPSC Hearing Panel Decision

The Hearing Panel determined that the Joint Settlement Agreement and proposed Penalty were reasonable and should be accepted in accordance with Article 6.8 of the FPSC *Disciplinary Rules and Procedures*. In reaching this conclusion, the Hearing Panel noted, among other things, that:

- Ms. Wang knew of the prohibitions on cash transactions, but knowingly disobeyed them;
- Ms. Wang lied to her branch manager in order to hide the fact that she disobeyed the prohibitions;
- The client was not financially harmed by Ms. Wang's misconduct, nor did Ms. Wang financially benefit from her misconduct;
- Ms. Wang cooperated with FPSC's investigation and demonstrated remorse for her actions.

On February 13, 2019, the Hearing Panel accepted the joint proposed Penalty and Ordered that:

- a. Ms. Wang is banned from seeking renewal or reinstatement of her CFP certification until August 13, 2020;
- b. Ms. Wang is barred from using the CFP Marks until such time as she is recertified;
- c. Ms. Wang shall continue to complete the annual required 25 hours of Continuing Education (CE) credits each year. Completion and proof of the annual requirement is a precondition to recertification; and
- d. Ms. Wang shall pay costs to FPSC in the amount of \$2,000 on or before June 30, 2019