



## Report on Disciplinary Actions 2015

The following individual's right to use the CFP® certification marks in all correspondence and representation of himself has been suspended for (4) years:

- Dirani, Wasseem (Ancaster, ON)

The following individual has received a thirty (30) day suspension of the right to use the CFP® certification marks in all correspondence and representation of himself effective August 18, 2015:

- DeArtola, Martin (New Hamburg, ON)

### Details of Hearing

#### Dirani, Wasseem (Ancaster, ON)

On March 6, 2015 FPSC's Disciplinary Hearing Panel (the Hearing Panel) considered the matter of the *Financial Planning Standards Council and Wasseem Dirani, CFP®*.

From in or around 2006 to in or around 2012, notwithstanding the fact that his client's principal source of income was a disability pension, Mr. Dirani recommended a leveraged investment strategy to his 63 year old client and purchased securities in his client's margin account using borrowed funds secured against the client's house.

By way of a decision dated March 6, 2015, the Hearing Panel found that Mr. Dirani:

1. Engaged in conduct which reflects adversely on his integrity and fitness as a CFP professional, the CFP marks and the profession thereby breaching his obligation under Rule 601 of the *CFP™ Code of Ethics* (the "Code") and Rule 2 of the *Standards of Professional Responsibility* (the "Standards");
2. Failed to exercise reasonable and prudent professional judgment in financial planning thereby breaching his obligations under Rule 201 of the *Code* and Rule 15 of the *Standards*;
3. Made recommendations to his client that were neither prudent, suitable nor appropriate for his client thereby breaching his obligations under Rule 702 of the *Code* and Rule 16 of the *Standards*; and
4. Failed to perform financial planning in accordance with IIROC Dealer Member Rules, thereby breaching his obligations under Rule 607 of the *Code* and Rule 18 of the *Standards*.

The Hearing Panel directed that the parties' written submissions on sanction be filed by April 1, 2015. The Hearing Panel reconvened on April 7, 2015 to hear oral submissions and on April 23, 2015 to consider additional written submissions with respect to Penalty.

On April 27, 2015, the Hearing Panel rendered the following Order with regards to Penalty:

1. Mr. Wasseem Dirani's right to use the CFP certification marks (Marks) is suspended for a period of four (4) years commencing on May 1, 2015 and ending on March 31, 2019; and
2. During the four (4) year suspension Mr. Dirani shall:
  - a) Cease to use the Marks in all correspondence and representations of himself as a CFP professional; and
  - b) Be required to maintain and complete all other duties of a CFP professional including, but not limited to:
    - i) Payment of annual certification fees due to FPSC;
    - ii) Completion of the required continuing education (CE) credits including completion of one (1) hour of FPSC accredited CE in the Professional Responsibility/Ethics category; and
    - iii) Comply with the *Standards of Professional Responsibility for CFP® Professionals and FPSC Level 1™ Certificants in Financial Planning*.

Having complied with the terms of the Order, Mr. Dirani shall be eligible to apply for reinstatement of his CFP certification on *April 1, 2019*.

On May 29, 2015, the Hearing Panel released its reasons for decision with regards to Penalty.

In its reasons the Hearing Panel expressed serious concerns over the professional conduct of Mr. Dirani noting that the misconduct spanned a period of years and it was not, therefore, an isolated incident. The Hearing Panel placed great weight on FPSC's responsibility to protect members of the public from the conduct that is predatory in nature. The Hearing Panel commented that Mr. Dirani showed insufficient respect for the certification and/or for fellow CFP professionals.

For these reasons the Hearing Panel concluded that a four (4) year suspension was necessary, fit, and appropriate penalty. No costs were sought or awarded.

Mr. Dirani appealed the Hearing Panel's decision with respect to penalty.

On August 25, 2015, the Appeal Panel found that the Hearing Panel's decision was reasonable and upheld the penalty imposed.



## Details of Hearing

### DeArtola, Martin (New Hamburg, ON)

On August 6, 2015, FPSC's Disciplinary Hearing Panel (the Hearing Panel) considered the matter of the *Financial Planning Standards Council and Martin DeArtola, CFP®*.

FPSC® alleged that Mr. DeArtola failed to respond to communications from FPSC and to cooperate with FPSC's investigation into his conduct further to a client complaint.

By way of unanimous decision dated August 18, 2015, the Hearing Panel found that, Mr. DeArtola engaged in professional misconduct by:

1. Failing to respond to FPSC's written communication dated April 29 and June 3, 2015, contrary to Rule 2 and 24 of the *Standards of Professional Responsibility for CFP® Professionals and FPSC Level 1™ Certificants in Financial Planning* ("Standards");
2. Failing to respond to FPSC's telephone communication of July 6, 2015, contrary to Rule 2 and 24 of the Standards.

The Hearing Panel issued the following Order on Penalty:

- a) Mr. DeArtola's certification with FPSC is suspended for a period of thirty (30) days, commencing immediately, and continuing indefinitely thereafter until the following condition is met, to the satisfaction of the Director, Standards and Enforcement:
  - i. Mr. DeArtola has provided a complete and substantive response to FPSC's communications dated April 29, 2015 and June 3, 2015.
- b) During the suspension detailed in paragraph (a) above, Mr. DeArtola shall cease to use the CFP certification marks (the Marks) in all correspondence and representations of himself;
- c) If on September 30, 2015, Mr. DeArtola remains suspended pursuant to the terms of this Order, his certification shall be revoked; and
- d) Mr. DeArtola shall pay costs to FPSC in the amount of \$450 within thirty (30) days of the date of this Order.

Pursuant to the terms of the Order, Mr. DeArtola's CFP® certification has been revoked effective October 1, 2015.

