

## REPORT ON DISCIPLINARY ACTION

### Details of Hearing: Chun-Yi Tay (Surrey, BC)

On November 28, 2019, an FP Canada Standards Council™ Discipline Hearing Panel found that Chun-Yi Tay engaged in conduct that breached the CFP® *Code of Ethics and Rules of Conduct*. Following a further hearing to determine the appropriate sanctions, on April 3, 2020, the Hearing Panel ordered, among other penalties, that Ms. Tay be barred from seeking renewal or reinstatement of certification with FP Canada™ for a period of six months ending on October 3, 2020.

### Background

Ms. Tay was certified by the Financial Planning Standards Council®, now FP Canada, as a CERTIFIED FINANCIAL PLANNER® professional in October 2011 and has consistently renewed her certification. Ms. Tay does not have a prior discipline history with FP Canada.

The FP Canada Standards Council™ (the “Standards Council”) instructed an investigation into Ms. Tay’s professional conduct in April 2017 involving allegations that Ms. Tay processed two (2) redemptions in the total amount of \$51,200.00 USD based on email instructions alone, contrary to the policies and procedures of her employer. Ms. Tay then falsely represented to her firm that she had spoken with the client over the telephone to confirm the client’s instructions, when she had not done so. Unbeknownst to Ms. Tay at the time, the emails were received from a third party who had gained unlawful access to her client’s email account and subsequently misappropriated the proceeds of the redemptions.

### Applicable Standard

The underlying conduct took place between May 2015 and May 2018. Accordingly, Ms. Tay’s conduct was governed by the:

- *Standards of Professional Responsibility for CFP® Professionals and FPSC Level 1™ Certificants in Financial Planning*, in force from November 2014 to May 2015
- *Standards of Professional Responsibility for CFP® Professionals and FPSC Level 1® Certificants in Financial Planning*, in force from June 2015 to February 2016
- *Standards of Professional Responsibility for CFP® Professionals and FPSC Level 1® Certificants in Financial Planning*, in force from March 2016 to May 2017
- *Standards of Professional Responsibility for CFP® Professionals and FPSC Level 1® Certificants in Financial Planning*, in force from June 2017 to December 2018

## FP Canada Standards Council Hearing Panel Decision

The Hearing Panel considered written submissions from the Standards Council and Ms. Tay and released its decision on November 28, 2019.

In accordance with Article 7.1 of the FP Canada Standards Council *Disciplinary Rules and Procedures* (the “DRP”), the Hearing Panel determined that Ms. Tay engaged in professional misconduct by:

- Processing redemptions based on email instructions alone and not obtaining verbal instructions as per her employer’s policies and procedures, thereby violating Principles 2, 7 and 8 of the *Code of Ethics*;
- Engaging in misrepresentation and knowingly providing a false statement to her employer thereby violating Rules 1 and 2 of the *Rules of Conduct*; and
- Failing to perform financial planning in accordance with applicable laws, regulations rules or established policies of governmental agencies and other applicable authorities thereby violating Rule 18 of the *Rules of Conduct*.

On April 3, 2020, pursuant to its authority under Rule 7.2 of the *DRP*, the Hearing Panel ordered that:

- Ms. Tay’s CFP certification and entitlement to use the CFP Marks be suspended for a period of six (6) months (April to October 2020);
- Prior to reinstating, in addition to complete the annual 25 hours of Continuing Education (CE) activities required of every CFP professional, Ms. Tay shall, at her own expense, successfully complete the FP Canada Institute™ Introduction to Professional Ethics (IPE);
- Ms. Tay shall provide proof of successful completion of the IPE course to the Standards Council prior to her reinstatement; and
- Ms. Tay shall pay costs of FP Canada in the amount of \$2,500 which costs are due to FP Canada by June 3, 2020.