



REPORT ON DISCIPLINARY ACTION

Details of Hearing: Al Thong, CFP® (Edmonton, AB)

On October 17, 2017, a Financial Planning Standards Council (FPSC®) Discipline Hearing Panel considered a Joint Settlement Agreement between FPSC and Al Thong, CFP.

Background

Mr. Thong was certified by FPSC as a CERTIFIED FINANCIAL PLANNER® certificant in August 2010. He has consistently renewed his certification since August 2010. Mr. Thong does not have a prior disciplinary history with FPSC.

In 2016, Mr. Thong entered into a Settlement Agreement with the Mutual Fund Dealers Association of Canada (MFDA). In the Agreement, Mr. Thong admits that between 2007 and 2008, he entered into a referral arrangement with Proforma Capital Inc. and received referral commissions that were not disclosed to or authorized by his firm, IPC Investment Corporation ("IPC"), contrary to MFDA regulations and IPC internal policies. Mr. Thong admitted that he referred three clients to Proforma, and received \$4,505.08 in referral fees. Mr. Thong stopped receiving referral fees in early 2010. By Order dated November 17, 2016, a MFDA Hearing Panel ordered that Mr. Thong's mutual fund license be suspended for a period of three years, that he pay a fine of \$10,000 and costs of \$5,000.

Procedural History

The suspension imposed by the MFDA Hearing Panel triggered a presumptive bar to continued certification with FPSC pursuant to the FPSC *Fitness Standards*. Mr. Thong submitted a Request for Reconsideration asking that the presumptive bar be set-aside and he be allowed to maintain his CFP certification.

FPSC commenced an investigation into Mr. Thong's conduct in March 2017. In July 2017, FPSC's Conduct Review Panel directed that the matter be referred to a Disciplinary Hearing Panel.

The FPSC Discipline Hearing Panel convened on October 17, 2017 to consider a proposed Joint Settlement Agreement between FPSC and Mr. Thong dated September 20, 2017. The Hearing Panel determined the Joint Settlement Agreement and proposed penalty were reasonable and issued Disciplinary Hearing Decision and Reasons dated October 26, 2017.

FPSC Hearing Panel Decision

In executing the Settlement Agreement with FPSC, Mr. Thong admitted that:

- The three year suspension of Mr. Thong's mutual fund license is a presumptive bar to continued certification with FPSC; and
- The underlying conduct could reflect adversely on his integrity and fitness as a CFP professional.

The Hearing Panel noted, among other things, that:

- Mr. Thong voluntarily reported to the FPSC that the MFDA was reviewing his conduct when completing the legal declarations section of his annual CFP certification renewal for 2015/2016.
- Mr. Thong does not have a discipline history with FPSC and cooperated with FPSC's investigation into his fitness for certification.
- At the time of the misconduct, Mr. Thong was not certified by FPSC as a CFP professional.

The Hearing Panel determined that the Joint Settlement Agreement was reasonable and should be accepted in accordance with Article 6.8 of the FPSC *Disciplinary Rules and Procedures*.

The Panel accepted the joint proposed Penalty and on October 26, 2017, Ordered that:

- a. Mr. Thong's CFP certification and entitlement to use the CFP marks be suspended for a period of ten (10) months commencing November 1, 2017 and ending August 31, 2018;
- b. During the suspension detailed in paragraph (a), Mr. Thong shall cease to use the CFP marks in all correspondence and representations of himself. Further Mr. Thong will not hold himself out to clients or the public as a CFP professional or FPSC Level 1® certificant;
- c. During the suspension detailed in paragraph (a) above, Mr. Thong shall continue to take continuing education (CE) courses. Mr. Thong shall complete at his own expense, the required twenty-five (25) hours of CE in 2017. In addition, Mr. Thong shall complete at his own expense, a minimum of thirty (30) hours of CE between January 2018 and August 31, 2018, including at least two (2) hours of FPSC-accredited CE in the category of Professional Responsibility;
- d. Mr. Thong shall provide proof of completion of the CE credits detailed in paragraph (c) above, to FPSC, by August 21, 2018;
- e. Mr. Thong shall pay costs to FPSC in the amount of \$1,250, which costs are due to FPSC within sixty (60) days of the date of the Hearing Panel's Order; and
- f. Having complied with the above-enumerated terms and having paid the recertification fee and pro-rated annual fee, Mr. Thong will be eligible for recertification on September 1, 2018.

On November 17, 2017, FPSC received payment from Mr. Thong in the amount of \$1,250, in satisfaction of paragraph (e) of the FPSC Hearing Panel Order dated October 26, 2017.