

**CERTIFIED FINANCIAL PLANNER BOARD OF STANDARDS, INC.
WASHINGTON D.C.**

IN THE MATTER OF
LAWRENCE B. KAPLAN
Respondent.

CFP Board Case No. 2023-64826

June 10, 2024

ORDER OF ADMINISTRATIVE PERMANENT BAR

On May 8, 2024, pursuant to Article 4.2 of Certified Financial Planner Board of Standards, Inc.'s ("CFP Board") *Procedural Rules*, CFP Board Enforcement Counsel ("Enforcement Counsel") filed a Motion for Order of Administrative Permanent Bar ("Motion")¹ requesting that Counsel for the Disciplinary and Ethics Commission ("DEC Counsel") issue an Order of Administrative Permanent Bar against Lawrence B. Kaplan ("Respondent"). Because Respondent did not file Response to Enforcement Counsel's Motion, Enforcement Counsel did not file a Reply.

For the reasons stated below, Enforcement Counsel's Motion is granted.

I. Background

Respondent became a CFP® professional on July 20, 1994 (Motion Ex 1("Ex 1") at 3) and remained certified until October 1, 2023, when Respondent's certification expired due to his failure to reinstate.² *Id.*

A. The Complaint

On December 19, 2023, Enforcement Counsel delivered by email to Respondent's CFP Board address of record, and contemporaneously filed with the Disciplinary and Ethics Commission ("DEC"), a Notice of Complaint and Complaint pursuant to Article 3.1 of CFP Board's *Procedural Rules* for alleged violations of CFP Board's *Code of Ethics and Standards of Conduct* ("*Code and Standards*"). (Ex. 1 at 65-70.) The Complaint included the following in its factual description of conduct and statement of alleged violations:

On December 23, 2022, Respondent entered into a Consent Order with the Connecticut Department of Banking ("CDB"), in which Respondent consented to the following findings: (Ex 1. at 68.)

¹ Enforcement Counsel met and conferred with Respondent by phone and email on January 8, 2024, in a reasonable and good faith effort to see how Respondent would like to proceed after having received the Complaint. Respondent indicated to Enforcement Counsel that he would be exercising his option to take no action in response to the Complaint.

² The Motion, any response to or reply in support of the Motion, and any Exhibits to the Order are not subject to publication under Article 17.7 of the *Procedural Rules*.

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The CDB conducted an examination and related investigation of Respondent. The CDB requested client billing invoices in connection with the examination. (*Id.*)

In response to the request, Respondent submitted three client billing invoices that he represented had been sent to clients. (*Id.*) That representation was not correct. (*Id.*) After the CDB questioned Respondent about the invoices, Respondent acknowledged that the three billing invoices were not the actual e-mail invoices that were sent to his clients. (*Id.*)

Respondent violated Section 36b-23 of the Connecticut Uniform Securities Act (the “Act”) by submitting copies of billing invoice emails to the CDB and representing that such billing invoices had been sent to clients when they had not. (*Id.*) Respondent subsequently located the actual email billing invoices that were sent to the three clients and provided them to the CDB. (*Id.*)

Respondent violated Section 36b-14(a)(1) of the Act and Section 36b-3 1-14b(a) of the Regulations of Connecticut Agencies (“Regulations”) by failing to maintain client billing invoices for the first quarter of 2021 for at least three clients. (*Id.*)

Respondent was ordered to Cease and Desist from future violations and pay an administrative fine of \$10,000. (*Id.*)

Respondent failed to disclose the Connecticut Consent Order to CFP Board within 30 days. (*Id.*)

Respondent’s conduct implicates Standard A.8.a., Standard E.3.c., and Standard E.5 of the *Code and Standards*.

Respondent’s Answer was due on January 18, 2024.

B. Respondent’s Response

In a telephone call with Enforcement Counsel on January 8, 2024 and a confirming email sent the same day, Respondent communicated his decision to “take no action” in response to the Complaint. (*Id.* at 95.) Respondent did not submit an Answer to the Complaint within the required timeframe. (Motion at 2.)

II. Discussion

If a Respondent fails to file an Answer in accordance with Article 3.2 of the *Procedural Rules*, then the Respondent is in default under Article 4.1. With full knowledge of the consequences of default under the *Procedural Rules* (*see* Ex. 1 at 90-94) Respondent made a conscious decision not to—and did not—file an Answer to the Complaint within 30 calendar days of delivery, as required by Article 3.2. Enforcement Counsel filed the Motion based on its determination of the

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seriousness, scope, and harmfulness of Respondent's conduct, (Motion at 2-3), as required under Article 4.2 of the *Procedural Rules*.

III. Conclusion

DEC Counsel finds that Respondent is in default pursuant to Article 4.1.e. of the *Procedural Rules*, grants Enforcement Counsel's Motion, and issues this Order of Administrative Permanent Bar ("Order") permanently barring Respondent from applying for or obtaining CFP® certification.

IV. Compliance with Order

Pursuant to Article 11.2 of the *Procedural Rules*, Respondent is required to submit to Enforcement Counsel, within 45 calendar days of issuance of this Order, or by **July 25, 2024**, written evidence that Respondent:

- Has advised Respondent's Firm(s), in writing, of this Order of Administrative Permanent Bar in the manner set forth in Standard D.3 of the *Code and Standards*; and
- Has advised all Clients (as Client is defined in the Glossary to the *Code and Standards*) of this Order of Administrative Permanent Bar and provided all Clients the location of CFP Board's website that sets forth Respondent's disciplinary history in the manner set forth in Standard A.10 of the *Code and Standards*; and
- Will advise all future Clients of the location of CFP Board's website that sets forth Respondent's disciplinary history, according to Standard A.10 of the *Code and Standards*.

Pursuant to Article 11.3 of the *Procedural Rules*, within 45 calendar days from the date of this Order, or by **July 25, 2024**, Respondent is required to submit to Enforcement Counsel, by sending an email to discipline@cfpboard.org, Respondent's statement of assurance that Respondent will not use the CFP Board certification marks and proof that Respondent has removed the CFP Board certification marks from all internet sites or other tangible materials that Respondent exposes to the public, including screenshots of the businesses, social media, and third-party financial advisor listing website profiles that Respondent controls, pictures of signage, and when applicable, copies of Respondent's business cards, letterhead, and marketing and promotional materials, as well as pictures of any other materials Respondent controls in which the CFP® marks previously appeared publicly in reference to Respondent or Respondent's services.. Failure to do so may result in further disciplinary or legal action regarding the unauthorized use of the CFP Board certification marks.

Issued by:

Counsel to the Disciplinary and Ethics Commission

June 10, 2024