

***FP Canada Standards Council™
and
Larry South, CFP®***

STATEMENT OF ALLEGATIONS

THE CFP® PROFESSIONAL

1. Larry South (“Mr. South” or the “Respondent”) was certified by the Financial Planning Standards Council®, now FP Canada™, as a CERTIFIED FINANCIAL PLANNER® professional in 1996. Mr. South has consistently renewed his certification and, as of the date of this Statement of Allegations, is a CFP professional in good standing. Mr. South does not have a prior discipline history with the FP Canada Standards Council™ (the “Standards Council”).
2. In or around 1979, Mr. South joined the predecessor company of what is currently Litwin CPA Inc. (“Litwin”). Mr. South remains with Litwin and is currently a Manager in the Estate and Tax Planning group.
3. Mr. South resides in Pierrefonds, Québec.

HISTORY OF THE PROCEEDINGS

4. This matter came to the attention of the Standards Council when Elizabeth Gidney, the daughter of Mr. South’s deceased client, Samuel Gidney, filed a complaint against Mr. South with the Standards Council on April 13, 2015.
5. Mr. South provided accounting services to Mr. Gidney and his company from 1988 until Mr. Gidney’s passing on February 20, 2009. He was a trusted advisor relating to business matters and a friend to Mr. Gidney.

6. On February 4, 2009, Mr. Gidney executed a will, which was prepared by Mr. South, in which Mr. South was named as the liquidator and trustee for Mr. Gidney's estate (the "2009 Will"). On February 20, 2009, sixteen (16) days after executing the 2009 Will, Mr. Gidney passed away.
7. Ms. Gidney alleged that Mr. South failed to act with the duty of care when acting as her father's accountant and advisor prior to his passing; and as liquidator and trustee for her father's estate after his death.
8. In June 2015, Ms. Gidney brought a motion in Court to have the 2009 Will set aside on the basis that Mr. Gidney lacked capacity. Mr. South did not contest the motion and the 2009 Will was declared void, and Ms. Gidney and another individual were named as co-liquidators instead of Mr. South.
9. The Standards Council initiated an investigation into Mr. South's conduct on August 5, 2015.
10. On May 3, 2022, the Conduct Review Panel ("CRP") convened and referred the allegations set out herein to a Hearing Panel.

NOTICE

11. Further to the direction of the CRP, and in accordance with Article 5.1 of the *FP Canada Standards Council Disciplinary Rules and Procedures* (DRP), I hereby give notice of the Standards Council's request that a hearing date be set with respect to the matter identified as: *FP Canada Standards Council™ and Larry South, CFP®*.
12. The Standards Council requests that the hearing be held in writing.

APPLICABLE STANDARDS

13. The conduct relating to the preparation and execution of the 2009 Will occurred between December 2008 and February 2009. Accordingly, Mr. South's conduct is governed by the *Code of Ethics* in force between April 2005 and December 2009. The applicable Rules are Rules 401 and 403 which state, in part:

Rule 401 - A CFP professional shall make timely written disclosure of all material information relative to the professional relationship. Written disclosures that include the following information are considered to be in compliance with this Rule:

...

d) A statement identifying any conflicts of interest;

...

Rule 403 - A CFP professional shall inform the client of changes in circumstances and material information that arise subsequent to the original engagement that may have an impact on the professional relationship or services to be rendered. Such changes include, but are not limited to:

a) conflicts of interest; ...

ALLEGATION

The Standards Council makes the following allegation against the Respondent:

1. Between December 2008 and February 2009, the Respondent prepared a will for his client, wherein he named himself as the liquidator and trustee, without disclosing to his client, in writing or otherwise, the conflict of interest that this created, contrary to Rules 401 and 403 of the *Code of Ethics* in force between April 2005 and December 2009.

Dated: June 7, 2022

"Tamara Center"

Tamara Center
Director, Professional Conduct and Enforcement
Counsel to FP Canada Standards Council™