



FP Canada Standards Council™

and

Joan McCarthy

STATEMENT OF ALLEGATIONS

THE CFP® PROFESSIONAL

1. Joan McCarthy (“Ms. McCarthy” or “the Respondent”) was certified by the Financial Planning Standards Council®, now FP Canada™, as a CERTIFIED FINANCIAL PLANNER® professional in January 2002. Ms. McCarthy consistently renewed her certification with FP Canada until March 31, 2019, when her certification lapsed due to voluntary non-renewal. Ms. McCarthy does not have a discipline history with the FP Canada Standards Council™ (the “Standards Council”).
2. Ms. McCarthy was a registered representative employed with MD Management Limited (“MD Management”) in St. John’s, Newfoundland from 2002 through 2019. Ms. McCarthy has not been employed with MD Management since March 2019 and has not been registered with an Investment Industry Regulatory Organization of Canada (“IIROC”) regulated firm since that time.

HISTORY OF THE PROCEEDINGS

3. In May 2021, the Standards Council became aware of a Canadian Broadcasting Corporation (“CBC”) news article dated May 1, 2021¹, as well as an IIROC news release dated April 30, 2021², with a link to its Notice of Hearing and Statement of Allegations dated April 21, 2021³. The alleged conduct involved forging client signatures to misappropriate funds into her personal bank account; withdrawing funds from client accounts without client authorization; misleading MD Management; and failing to cooperate with the IIROC investigation.

¹ [CBC News Article dated May 1, 2021](#)

² [IIROC News Release dated April 30, 2021](#)

³ [21-0087 - Notice of Hearing and Statement of Allegations - Joan McCarthy \(English\) \(1\).pdf](#)

4. The alleged misconduct occurred while Ms. McCarthy was certified by FP Canada.
5. On May 11, 2021, the Standards Council instructed an independent investigation into Ms. McCarthy’s conduct as a CFP® professional.
6. On May 12, 2021, the Standards Council wrote to Ms. McCarthy and notified her that the Standards Council was conducting an investigation into her conduct as a CFP certificant. In the same correspondence, the Standards Council requested that Ms. McCarthy respond and provide relevant information and documentation by June 9, 2021, to assist the Standards Council in its investigation.
7. Ms. McCarthy failed to respond to the Standard Council’s inquiry of May 12, 2021, or to the Standard Council’s subsequent communications and requests for responses of June 10, 2021, July 5, 2021, and July 20, 2021. The final deadline for response to the Standard Council’s communications expired on July 29, 2021.
8. On July 13, 2021, Ms. McCarthy was charged criminally with multiple counts of fraud over \$5,000; forgery; uttering a forged document, and possessing property obtained by crime.
9. On July 30, 2021, the Executive Director, Standards & Certification and Head of the FP Canada Standards Council (the “Executive Director”), referred this matter to a Disciplinary Hearing Panel in accordance with Article 4.3 of the *FP Canada Standards Council Disciplinary Rules and Procedures (DRP)*.

NOTICE

10. Further to the direction of the Executive Director and in accordance with Article 5.1 of the *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 Joan McCarthy*.
11. The Standards Council requests that the hearing in respect of this matter be held in writing.

APPLICABLE STANDARDS

<i>Applicable Rules of Conduct (in relevant part)</i>	
Rule 33	<i>A Certificant shall reply promptly and completely to any communication from FP Canada or the FP Canada Standards Council in which a response is requested.</i>
Rule 34	<i>A Certificant shall cooperate fully with a FP Canada Standards Council investigation of a complaint unless legally prevented from doing so. This rule applies equally to current and former Certificants.</i>

ALLEGATIONS

The Standards Council makes the following allegations against the Respondent:

1. The Respondent failed to respond to correspondence sent by the FP Canada Standards Council dated May 12, 2021; June 10, 2021; July 5, 2021; and July 20, 2021, each of which included requests for information and deadlines for response, contrary to Rule 33 of the *Rules of Conduct*.
2. The Respondent failed to reply to communications from the FP Canada Standards Council in which a response was requested and thereby failed to cooperate fully with an FP Canada Standards Council investigation, contrary to Rule 34 of the *Standards of Professional Responsibility*.

Dated the 4th day of August, 2021.



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