

FP Canada Standards Council™

and

Jeong Heon Shin a.k.a. Abraham Shin

STATEMENT OF ALLEGATIONS

THE SUSPENDED QAFP™ PROFESSIONAL

1. Jeong Heon Shin a.k.a. Abraham Shin (“Mr. Shin” or the “Respondent”) was certified by the Financial Planning Standards Council®, now FP Canada™, as a *FPSC LEVEL 1®* Certificant in Financial Planning, in November 2019. He transitioned to become a **QUALIFIED ASSOCIATE FINANCIAL PLANNER™** Certificant in January 2020.
2. Mr. Shin remained in good standing until his certification was suspended on January 13, 2021 by the FP Canada Board of Directors (the “Board”) pending the resolution of this matter.
3. Mr. Shin does not have a discipline history with the Standards Council.
4. Mr. Shin worked for Royal Bank of Canada (“RBC”) in Toronto, Ontario for almost 20 years until September 21, 2020 when he resigned. Mr. Shin advises that he is currently unemployed, no longer acts as a Financial Planner and has no clients.

HISTORY OF THE PROCEEDINGS

5. This matter came to the attention of the FP Canada Standards Council™ (the “Standards Council”) in November 2020, when several media articles were published reporting serious allegations made by a former client of Mr. Shin’s with respect to his professional conduct.
6. In communications with the Standards Council in December 2020, Mr. Shin admitted taking a loan from a client, misappropriating funds from two (2) clients and using confidential information of two (2) clients to create an online client account in respect of one client and

to access an existing online client account of a second client, in order to misappropriate funds and process an unauthorized transaction.

7. On or about January 6, 2021, the Standards Council notified Mr. Shin that it would be initiating an independent investigation into his conduct.
8. Due to, amongst other things, the serious nature of Mr. Shin's conduct and the publicity surrounding the matter, the Standards Council sought and received approval by the Board to publicize the investigation and Mr. Shin's interim suspension.
9. On March 23, 2021, the Conduct Review Panel ("CRP") convened and referred this matter to a Hearing Panel.

NOTICE

10. Further to the direction of the CRP, and in accordance with Article 5.1 of the *FP Canada Standards Council Disciplinary Rules and Procedures*, 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 Jeong Heon Shin a.k.a. Abraham Shin*.
11. The Standards Council requests that the hearing in respect of this matter be held in writing.

APPLICABLE STANDARDS

12. The conduct under investigation commenced in March 2020. Accordingly, Mr. Shin's conduct is governed by the *Standards of Professional Responsibility* in effect commencing in January 2020.
13. The applicable Principles and Rules of the *Standards of Professional Responsibility* are as set out in **Appendix "A"**.

ALLEGATIONS

The Standards Council makes the following allegations against the Respondent:

1. In March 2020, the Respondent personally borrowed money from a client, which funds he continued to hold personally until September 2020, thereby engaging in conduct contrary to Rule 10 and Principles 1 and 8 of the *Standards of Professional Responsibility*.
2. In March 2020, the Respondent misappropriated funds from two (2) clients and processed an unauthorized transaction, thereby engaging in conduct involving dishonesty, fraud, deceit or misrepresentation and conduct that reflects adversely on his

integrity or fitness as a Certificant, the certification marks or the profession, contrary to Rules 1 and 2 and Principles 1, 2 and 8 of the *Standards of Professional Responsibility*.

3. In March 2020, the Respondent used personal and confidential information of two (2) clients to create an online account in respect of one client and to access an existing online account of a second client, without the written and informed consent of the clients, thereby engaging in conduct contrary to Rules 1 and 28 and Principles 1, 2, 6 and 8 of the *Standards of Professional Responsibility*.
4. The Respondent failed to report a client complaint and also failed to report the related review of his conduct by the Mutual Fund Dealers Association of Canada (“MFDA”) to FP Canada within 15 days of becoming aware of the complaint and/or the MFDA review, thereby breaching Rule 31(b) of the *Standards of Professional Responsibility*.

Dated the 9th day of April, 2021



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

APPENDIX “A”

<i>Applicable Rule of Conduct</i>	
Principle 1: Duty of Loyalty	<p>The Duty of Loyalty encompasses:</p> <p>The duty to act in the client’s interest by placing the client’s interests first. Placing the client’s interests first requires the Certificant place the client’s interests ahead of their own and all other interests;</p> <p>The obligation to disclose conflicts of interest and to mitigate conflicts in the client’s favour; and</p> <p>The duty to act with the care, skill and diligence of a prudent professional.</p>
Principle 2: Integrity	<p>A Certificant shall always act with integrity.</p> <p>Integrity means rigorous adherence to the moral rules and duties imposed by honesty and justice. Integrity requires the Certificant to observe both the letter and the spirit of the Code of Ethics.</p>
Principle 6: Confidentiality	<p>A Certificant shall maintain confidentiality of all client information.</p> <p>Confidentiality requires that client information be secured, protected and maintained in a manner that allows access only to those who are authorized. A relationship of trust and confidence with the client can be built only on the understanding that personal and confidential information will be collected, used and disclosed only as authorized.</p>
Principle 8: Professionalism	<p>A Certificant shall act in a manner reflecting positively upon the profession.</p> <p>Professionalism refers to conduct that inspires confidence and respect from clients and the community, and embodies all of the other principles within the Code of Ethics.</p>
Rule 1: Engaging in conduct involving dishonesty, fraud, deceit, or misrepresentation	<p>A Certificant shall not engage in or associate with individuals engaged in conduct involving dishonesty, fraud, deceit or misrepresentation, or knowingly make a false or misleading statement to clients or any other parties.</p>
Rule 2: Integrity	<p>A Certificant shall not engage in any conduct that reflects adversely on his or her integrity or fitness as a Certificant, the certification marks or the profession.</p>
Rule 10: Borrowing from a Client	<p>A Certificant shall refrain from personally lending money to a client or personally borrowing money from a client. The prohibition on lending to</p>

	and borrowing from a client, does not apply where the client is a member of the Certificant's immediate family.
Rule 28: Confidentiality	A Certificant shall not disclose or use any personal or confidential information pertaining to a prospective client, a client or a former client without the written and informed consent of the client, unless in response to proper legal, statutory or regulatory process under which the Certificant is obliged to do so, including cooperation with the FP Canada Standards Council investigation of a complaint.
Rule 31: Failure to Report	<p>A Certificant shall meet all FP Canada requirements for continued certification, including:</p> <ul style="list-style-type: none"> a) Making full and accurate Legal Declarations when completing their Annual Renewal Form. Reportable items are outlined in the "Declarations and Professional Obligations" section of the certification renewal form and include consumer proposals and bankruptcy; involvement in civil proceedings; criminal convictions; court orders; and investigations or decisions by professional bodies and regulatory/licensing bodies; b) Advising FP Canada, in writing, of any changes to prior Legal Declarations within 15 days of becoming aware of new information;