

FP Canada Standards Council™
and
George Yamamoto

AMENDED STATEMENT OF ALLEGATIONS

THE FORMER CERTIFICANT

1. George Yamamoto (“Mr. Yamamoto” or the “Respondent”) was certified by the Financial Planning Standards Council®, now FP Canada™, as a CERTIFIED FINANCIAL PLANNER® professional in January 2005. Mr. Yamamoto consistently renewed his certification until September 17, 2020, when he canceled his certification due to personal reasons. Mr. Yamamoto does not have a prior discipline history with the FP Canada Standards Council™ (the “Standards Council”).
2. Commencing in June 2004, Mr. Yamamoto was a dealing representative with HollisWealth Advisory Services Inc. which amalgamated with Investia Financial Services Inc. (“Investia”) in August 2017. In August 2020, after Investia commenced an investigation in respect of Mr. Yamamoto, he resigned. Mr. Yamamoto has not been registered in the securities industry in any capacity since August 28, 2020. As of August 2023, Mr. Yamamoto was not employed and his current employment status is unknown to FP Canada.
3. Mr. Yamamoto resides in Scarborough, Ontario.

BACKGROUND OF THE PROCEEDINGS

A. Other Relevant Proceedings

4. On October 7, 2022, the Mutual Fund Dealer Association of Canada (“MFDA”)¹ issued a Notice of Hearing in respect of Mr. Yamamoto.
5. On October 25, 2023, a CIRO Hearing Panel accepted a Settlement Agreement

¹ The MFDA and Investment Industry Regulatory Organization of Canada (IIROC) merged, and the new entity is now called the Canadian Investment Regulatory Organization (“CIRO”).

between Mr. Yamamoto and CIRO dated August 24, 2023. In the Settlement Agreement, Mr. Yamamoto admitted that between November 2018 and August 2020 (while he was a Certificant), he failed to disclose to Investia that he engaged in conduct which gave rise to conflicts or potential conflicts of interest and failed to maintain a clients' information in confidence, contrary to Investia's policies and procedures and contrary to several MFDA Rules in place at the relevant time. In particular, Mr. Yamamoto:

- a. was aware that he was or would be named as the recipient of legacies in the wills of Clients A and B, who were spouses (the "Clients");
 - b. solicited monies from the Clients to purchase a home for himself (by requesting that the Clients provide him with the legacies while they were alive and after the Clients refused to provide the legacies, invoicing the Clients for over \$656,000); and
 - c. disclosed information regarding the business and affairs of the Clients to Client A's son, without the consent of the Clients².
6. By Order dated October 25, 2023, the CIRO Hearing Panel ordered that Mr. Yamamoto be permanently prohibited from conducting securities related business in any capacity and he was fined \$100,000 and ordered to pay costs of \$5,000³.

B. FP Canada Proceedings

7. This matter first came to the attention of the Standards Council on November 10, 2022, when the Standards Council received notice, by way of a media release, of the MFDA Notice of Hearing in respect of Mr. Yamamoto.
8. The Standards Council initiated an independent investigation into Mr. Yamamoto's conduct as a CFP Certificant on March 16, 2023.
9. On December 12, 2023, the Conduct Review Panel ("CRP") convened and referred the allegations set out herein 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* (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 George Yamamoto*.
11. The Standards Council requests that the hearing be held in writing.

² [SA202246 | MFDA](#)

³ [Order202246 | MFDA](#)

APPLICABLE STANDARDS

Mr. Yamamoto's underlying conduct occurred between November 2018 and August 2020 and the CRO hearing panel accepted the Settlement Agreement in October 2023. Accordingly, Mr. Yamamoto's conduct is governed by the *Standards of Professional Responsibility* in effect between June 2017 and June 2021, and those in force commencing in May 2022 and currently in force. The applicable Principles and Rules of the *Standards of Professional Responsibility* are attached at **Appendix "A"**.

ALLEGATIONS

The Standards Council makes the following allegations against the Respondent:

1. Between November 2018 and August 2020, the Respondent failed to provide written disclosure to Clients A and B (the "Clients") of the potential or actual conflict of interest created when each of the Clients named him as the recipient of legacies in their wills, given his concurrent role as their financial planner. The Respondent also failed to obtain each of the Clients' written and informed consent to continue acting as their financial planner, notwithstanding the potential or actual conflict of interest. The Respondent thereby failed to place the Clients' interests first and failed to act with fairness and professionalism, contrary to Principles 1, 5 and 8 and Rule 8.1 of the *Standards of Professional Responsibility* in effect between June 2017 and December 2018 and Rule 8b of the *Standards of Professional Responsibility* in effect between January 2019 and June 2021.
2. Between July 29, 2020 and August 6, 2020, the Respondent failed to provide written disclosure to each of the Clients of the potential or actual conflict of interest created when he solicited funds from both of the Clients to purchase a home for himself, given his concurrent role as their financial planner. The Respondent also failed to obtain each of the Clients' written and informed consent to continue acting as their financial planner, notwithstanding the potential or actual conflict of interest. The Respondent thereby failed to make written disclosure of the potential or actual conflict of interest, failed to place the Clients' interests first, failed to act with integrity, fairness, and professionalism and engaged in conduct that reflects adversely on his integrity or fitness as an FP Canada certificant and/or the certification marks, contrary to Principles 1, 2, 5 and 8 and Rules 2 and 8b of the *Standards of Professional Responsibility* in effect between January 2019 and June 2021.
3. On or about August 7, 2020, Mr. Yamamoto disclosed personal or confidential information regarding the business and affairs of the Clients to Client A's son, without the written and informed consent of each of the Clients, and thereby acted contrary to Principle 6 and Rule 28 of the *Standards of Professional Responsibility* in effect between January 2020 and June 2021.
4. ~~By Order dated October 25, 2023, a CRO Hearing Panel found that the Respondent engaged in conduct that contravened several MFDA Rules. As such, the~~

~~Respondent failed to provide professional services in accordance with applicable laws, regulations, rules or established policies of governmental agencies or other applicable authorities, contrary to Rule 24 of the *Standards of Professional Responsibility* in force commencing in May 2022 and currently in force.~~

Dated: ~~October 2~~ January 15, 2024



Tamara Center

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

Appendix A

Standards of Professional Responsibility for CFP Professionals and FPSC Level 1 Certificants in Financial Planning - June 2017 to December 2018

Principle 1: Client First

A CFP professional shall always place the client's interests first.

Placing the client's interests first requires the CFP professional to act honestly and to place the client's interests ahead of his/her own and ahead of all other interests.

Principle 5: Fairness

A CFP professional shall be fair and open in all professional relationships.

Fairness requires providing clients with what they should reasonably expect from a professional relationship, and includes honesty and disclosure of all relevant facts, including conflicts of interest.

Principle 8: Professionalism

A CFP professional shall act in a manner reflecting positively upon the profession.

Professionalism refers to conduct that inspires confidence and respect from clients and the community and embodies all of the other principles within the Code.

Rule 8.1: When the services include financial planning or material elements of the financial planning process:

- a) A CFP professional shall not provide services to a client where there is an existing conflict of interest between the CFP professional and the client; unless, after full written disclosure of the existing conflict of interest, the client makes the informed decision to engage the CFP professional notwithstanding the conflict. The CFP professional must obtain the client's written consent before providing services to the client. Such written consent must include a description of the conflict of interest and confirmation of the client's decision to proceed.
- b) Where a conflict of interest arises during the course of an ongoing relationship with a client either between the client and the CFP professional or between the CFP professional's clients in the case of a joint engagement, a CFP professional shall, immediately upon discovery of the conflict of interest, advise the client, in writing, of the conflict of interest. In such circumstances a CFP professional shall cease providing services (acting in accordance with the provisions of Rule 11) unless and until the client makes the informed decision to continue with the engagement. The CFP

professional must obtain the client's written consent to continue. Such written consent must include a description of the conflict of interest and confirmation of the client's decision to proceed.

Standards of Professional Responsibility for CFP Professionals and FPSC Level 1 Certificants in Financial Planning
January 2019 to March 2019 and April 2019 to December 2019

Principle 1: Duty of Loyalty

The Duty of Loyalty encompasses:

- 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;
- The obligation to disclose conflicts of interest and to mitigate conflicts in the client's favour; and
- The duty to act with the care, skill and diligence of a prudent professional.

Principle 2:

[No material change]

Principle 5:

[No material change]

Principle 8:

[No material change]

Rule 8: *[No material change]*

When the services include financial planning or material elements of the financial planning process:

a) A Certificant shall not provide services to a client where there is an existing conflict of interest between the Certificant and the client unless, after full written disclosure of the existing conflict of interest, the client makes the informed decision to engage the Certificant notwithstanding the conflict. The Certificant shall obtain the client's written consent before providing services to the client. Such written consent shall

include a description of the conflict of interest and confirmation of the client's decision to proceed.

b) Where a conflict of interest arises during the course of an ongoing relationship with a client either between the client and the Certificant or between the Certificant's clients in the case of a joint engagement, a Certificant shall, immediately upon discovery of the conflict of interest, advise the client in writing of the conflict of interest. In such circumstances, a Certificant shall cease providing services (acting in accordance with the provisions of Rule 14) unless and until the client makes the informed decision to continue with the engagement. The Certificant shall obtain the client's written consent to continue. Such written consent shall include a description of the conflict of interest and confirmation of the client's decision to proceed.

Standards of Professional Responsibility for CFP Professionals and QAFP Professionals – January 2020 – June 2021

Principle 1: Duty of Loyalty

[No material change]

Principle 2: Integrity: A Certificant shall always act with integrity. 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.

Principle 5: Fairness

[No material change]

Principle 6: Confidentiality: A Certificant shall maintain confidentiality of all client information. 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.

Principle 8: Professionalism

[No material change]

Rule 2: 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.

Rule 8:

[No Material Change]

Rule 28: 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.

**~~Standards of Professional Responsibility for CFP Professionals and QAFP Professionals—
May 2022—Current~~**

Rule 24: ~~A Certificant shall provide their professional services in accordance with applicable laws, regulations, rules or established policies of governmental agencies and other applicable authorities, including FP Canada and the FP Canada Standards Council.~~