



CERTIFIED SENIOR ADVISOR (CSA)[®]
COMPLIANCE NEWSLETTER

A REPORT ON ENFORCEMENT ACTIVITIES



CSA DISCIPLINARY SANCTIONS

Wrongful Use - When Professionals Misuse Their Designation What Do We Do?

To be a CSA is to willingly accept and uphold the standards laid out in the CSA Code of Professional Responsibility (www.csa.us/docs/csa_code.pdf). These standards define the behavior that we owe to seniors, to ourselves, and to fellow CSAs. The reputation built over the years by the hard work and high standards of CSAs flows to everyone who adds the designation to their name. Conversely, any CSA who acts unethically diminishes the value of the designation to all CSAs.

Consumers & professionals are encouraged to file complaints with SCSA against professionals engaged in questionable behavior. When a complaint is filed, the SCSA compliance officer first determines if the individual in question is an active CSA. The individual in question may have never been a CSA or let their CSA designation lapse. Cases such as this are considered wrongful cases and could be a violation of state & federal law. SCSA sends a cease & desist letter to all professionals wrongfully using the CSA designation, stating that they must stop presenting themselves as CSAs immediately.

If this letter goes unanswered, his/her wrongful use is reported to their home state's licensing authority, FINRA, etc. and their name can be added to our website's wrongful use listing. SCSA then involves an independent Board of Standards. The Board reviews all cases regarding CSAs in good standing who violate the CSA Code and, after review, the Board imposes one of five sanctions that they feel meets the disciplinary requirements needed.

An example of a case brought to SCSA was from a consumer in Texas. This consumer called to complain about "Mr. Miller", an investment agent. The consumer complained of actions ranging from fraudulent sale of securities to selling unregistered securities. Mr. Miller was suspended in January 2008, and has since been arrested in the State of Texas on 9 counts of fraud and was revoked in January 2009 by the CSA Board. The Board has been providing the Texas Securities Board with any information they need regarding our investigation into Mr. Miller's acts.

NEW LEGISLATION IN FLORIDA

Florida Passes New Legislation Based On The NASAA Model Rule

On December 9, 2008, the Florida Financial Services Commission approved new rules prohibiting the misleading use of senior and retiree professional certifications and designations (Statutes 69W-600.0133 & 626.9541). This new legislation went into effect in January 2009 and will be enforced by the Office of Financial Regulation. The legislation is based on the North American Securities Administrators Association's (NASAA) Model Rule on Senior Designations.

In addition, the State of Florida has adopted the Seibel Act regarding the sale of annuities to seniors which includes limitations on designation use (Statute 624.4554). Rick White, Director of the Office's Division of Securities stated "Implementation of appropriate practices and guidelines by financial services firms will help protect the assets that Florida's seniors have worked a lifetime to save."

The Office of Financial Regulation is using a "self-executing" standard; SCSA recently sent a statement to all Florida CSAs in the financial & insurance industries asking for their assistance with the enforcement of this rule by reporting any CSAs, or persons posing as a CSA, that are engaging in questionable acts to our compliance officer immediately.





DISCIPLINARY STATISTICS

Compliance by the numbers

Total # CSAs certified: 22,466

2008 Statistics

Revocations: 14

Suspensions: 1

Dismissed w/o Merit: 5

Dismissed w/ Caution: 3

Wrongful Use Cases: 5

2009 Q1 Statistics

Revocations: 3

Wrongful Use Cases: 16

NASAA AND NAIC MODEL RULES

The Use of Senior Designations & Professional Certifications

On March 20, 2008, the North American Securities Administrators Association (NASAA) and the National Association of Insurance Commissioners (NAIC) established model rules that set the standards on the use of senior-specific designations. These rules apply to the securities industry. "We detected a growing problem for senior investors and have responded to it aggressively with a regulatory solution. I urge all NASAA members to adopt this model rule within their jurisdictions as soon as possible," said Karen Tyler, North Dakota Securities Commissioner & former President of NASAA.

On September 24, 2008 NAIC announced their adoption of a model rule that applies to persons in the insurance industry. "This proposal is vital in providing confidence in the expertise surrounding the sales of these insurance products to our senior customers," said Sean Dilweg, Wisconsin Insurance Commission & Chair of NAIC Senior Issues Task Force.

Both Model Rules establish accreditation by either the American National Standards (ANS) Institute or the National Commission for Certifying Agencies (NCCA) as a requirement for use of senior-specific certifications & professional designations. "We applaud both NASAA and NAIC for establishing these two model rules and urge regulators to incorporate these in state & federal legislation. **There should be a single national standard for credentials to give clear rules of the road to professionals, regulators and the seniors they serve,**" said Ed Pittock, President and Founder of SCSA.

The *CSA Code of Professional Responsibility* provides ethical standards & rules of conduct for all persons who are certified to use the CSA designation. Violations of these rules can result in a revocation of the members right to use the CSA designation.

2009 Revocations

Name	Revocation Month	CSA Code(s) Violation	City, State
Hamsher, Troy A.	January	Rules 104, 201	Parker, CO
Foreman, Samuel H.	January	Rule 202	Maumee, OH
Mastroieni-Cave, Jeanette	March	Rule 203	Conshocken, PA

2008 Revocations

Name	Revocation Month	CSA Code(s) Violation	City, State
Everhart, Steven G.	January	Rule 304	Incline Village, NV
Diamond, Mark	January	Rule 304	Dallas, TX
Heuermann, Anthony	February	Rules 509, 306	Spring, TX
Crews, Mark John	March	Rules 203, 306	Carmichael, CA
Elkin, Warren	April	Rule 304	Los Angeles, CA
Bluestein, Frank J.	May	Rules 304, 509	Waterford, MI
Buttacavoli, Glen F.	May	Rule 203	Massilon, OH
O'Neill, Annmarie	July	Rules 201, 203	Gilbertsville, PA
Wellshear, Thad	July	Rules 104, 304	Topeka, KS
Skinner, Toby	July	Rules 203, 509	Lake Oswego, OR
Simpkins, Terry W.	July	Rules 203, 509	Lake Sherwood, MO
Atkins, Larry M.	July	Rules 101, 509	Fargo, ND
Powers, Gordon L.	August	Rule 203	Bellevue, WA
Lackey, Jeffrey B.	August	Rules 203, 509	Kingsport, TN
Parks, Melanie C.	September	Rule 509	Bakersfield, CA
Mazur, Thomas J.	October	Rule 304	Riverview, FL
Langford, John F.	October	Rules 104, 202, 203, 305, 306, 401(a), 504, 507, 510	Amarillo, TX

Rule Highlight - Advertising

A CSA designee shall not perform, offer to perform, or imply in advertising or other communication an ability to legitimately perform professional services that are outside the scope of the designee's professional practice, license, or credential.
CSA Code of Professional Responsibility Rule 104.

The CSA Board of Standards is committed to ensuring the integrity and reputation of the CSA designation.

If you observe questionable behavior by one of our members, please contact the Board immediately or fill out an online form at: <http://www.society-csa.com/BoardOfStandardsContactUs.aspx>.

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