



FOR IMMEDIATE RELEASE
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**Financial Planning Coalition Commends SEC for Recommending
Strong Consumer Protections by Extending the
Fiduciary Standard of Care to Broker-Dealers**

Coalition Calls on SEC to Quickly Promulgate Rule

Washington, DC – January 22, 2011 – The Financial Planning Coalition today commended the Securities and Exchange Commission (SEC) [staff study](#) for recommending that the fiduciary standard of care should be extended to broker-dealers who provide personalized investment advice.

“Investors expect and deserve advice that is in their best interests, regardless of who is providing the service,” said Susan John CFP® AIFA®, 2010-11 Chair of the National Association of Personal Financial Advisors. “The Coalition looks forward to working with the SEC to ensure a meaningful rule is put in place that will protect consumers.”

Broker-dealers are currently held to the suitability standard, which requires that advice they provide clients merely be suitable – and not necessarily in the client’s best interest. The Coalition has consistently advocated for the extension of the fiduciary standard to broker-dealers who provide personalized investment advice, not just investment advisers, in order to ensure the highest consumer protection.

The Coalition applauds the SEC study for recommending that the Commission exercise its rulemaking authority under the Dodd – Frank Wall Street Reform and Consumer Protection Act of 2010 to establish a uniform fiduciary standard that applies to both broker-dealers and investment advisers that is no less stringent than the standard currently applied to investment advisers under the Investment Advisers Act of 1940.

“Consumers shouldn’t have to guess whether the advice they get is in their own best interest, or in the best interest of their adviser. Extending the fiduciary standard to broker-dealers will reassure consumers that the advice they seek – whether it’s from a broker-dealer or investment adviser – will be provided at the same high standard that puts their interests first,” said Marty Kurtz CFP® AIFA®, and 2011 Financial Planning Association President.

MEDIA CALL: The Financial Planning Coalition will hold a media conference call early next week to review and comment on the three recent GAO & SEC studies. Details will be distributed as they are established.



The Coalition urged the SEC to act on the recommendations and to quickly initiate a rulemaking process to promulgate a uniform fiduciary standard of care, and expressed readiness to work with the SEC to implement rules consistent with the goals of the Dodd-Frank Act.

“Time is of the essence and we urge the SEC to implement this important consumer reform quickly,” said Charles A. Moran CFP[®], 2011 Chair of the Board of Directors of the Certified Financial Planner Board of Standards, Inc. “The extension of a fiduciary standard of care to all broker-dealers will build much-needed confidence among the average American consumer whose faith in the financial markets is still shaken.”

A review of broker and adviser rules can also help minimize investor confusion by trying to standardize regulations that apply to like services. The Coalition looks forward to working with the SEC to identify areas where standardization is appropriate and consistent with investors' interests.

The Coalition outlined its views on the fiduciary standard in a [letter](#) sent to the SEC on August 30, 2010. The Coalition stressed the importance of establishing a strong and uniform fiduciary standard of care for the delivery of investment advice, and is pleased to see this important consumer reform reflected in the SEC study.

About the Financial Planning Coalition: The Financial Planning Coalition is a collaboration of Certified Financial Planner Board of Standards (CFP Board), the Financial Planning Association[®] (FPA[®]), and the National Association of Personal Financial Advisors (NAPFA) to advise legislators and regulators on how to best protect consumers by ensuring financial planning services are delivered with fiduciary accountability and transparency.

To learn more, please visit www.FinancialPlanningCoalition.com.

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