

PRESS RELEASE

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## **NAPFA CALLS ON BROKER-DEALERS TO VOLUNTARILY COMPLY WITH RIA RULES**

NAPFA, the National Association of Personal Financial Advisors, today sent open letters to the chairs of the nation's leading broker-dealer firms, asking the firms to voluntarily comply with the standards set forth for Registered Investment Advisors (RIAs). NAPFA sent the open letters shortly after sending a comment letter to the Securities and Exchange Commission (SEC), requesting that the SEC withdraw its proposed rule, "Certain Brokers Dealers Deemed Not To Be Investment Advisors."

"NAPFA has opposed the exemption that the SEC has granted to broker-dealers for a long time," said Ellen Turf, NAPFA CEO. "It is time for the SEC to withdraw its rule and to start treating broker-dealers who give investment advice the same as RIAs. We see firms that employ broker-dealers advertising their services as the equivalent of those provided by objective investment advisors, and therefore it's time that they be held accountable."

NAPFA's open letter to broker-dealer firms encourages those companies to move ahead of any future regulatory changes to adopt the stricter standards today. NAPFA wrote to the following firms: AmeriTrade, Fidelity, Raymond James, Schwab, and TD Waterhouse.

"Consumers deserve the protections afforded by the federal standards for Registered Investment Advisors – namely, fiduciary conduct and full disclosure," said Turf. "Any company that adopts these principles will likely be able to make a strong case to consumers that it is the firm they should do business with. Living by those principles works for our members, and I'm sure it would be beneficial for large firms, too."

The open letter to broker-dealer firms and the comment letter to the SEC are attached.

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