

KD Alert: Advisors, Brokers and Customers... OH MY! The ABCs of the Current Debate Regarding a Uniform Fiduciary Standard for the Financial Services Industry

Today, members of KD's Financial Services Practice Team released a White Paper on the attempts by the U.S. Securities Exchange Commission and the U.S. Department of Labor to institute a new fiduciary standard for advisors and registered brokers giving personalized investment advice to retail customers and plans subject to ERISA. This has become a hot-button topic since the Great Recession and enactment of Dodd-Frank in 2010. The fire has recently been stoked by President Barack Obama, along with legislators on both sides of the aisle.

The authors attempt to break down the lay of the land, where regulators have been, and where they may be headed. The authors outline the current standards of conduct for advisors, the governmental mandate for change, and the different approaches being considered by regulators. The paper addresses the rule recently proposed by the DOL, and the potential effects of the rule on broker-dealers, investment advisers, and their respective representatives and agents. The paper also wades through a study and requests for information commissioned by the SEC in connection with its mandate from Dodd-Frank to investigate a potential fiduciary standard.

This topic promises to be on the forefront of political and financial debate for the foreseeable future, and one can only speculate as to the ripple effect of a new fiduciary standard. The attorneys at Kaufman Dolowich & Voluck are prepared to guide you through this labyrinth of federal regulation and the impact on your potential exposure. If you have any questions, please contact Stefan Dandelles or Brendan McGarry at (312) 646-6744.

Please click below to read the White Paper:

[The ABCs of the Current Debate Regarding a Uniform Fiduciary Standard for the Financial Services Industry](#)