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When Getting Financial Advice, Don't Be Fooled by Impressive-Sounding Credentials

A "certified senior advisor" may sound like a trustworthy person to provide investment advice to the elderly, but beware! While the title has an impressive ring to it, it doesn't take much to earn it. According to a July 8, 2007, article in the *New York Times*, many insurance companies are using sales agents with fancy-sounding credentials, but few actual qualifications, to sell annuities to seniors.

Thousands of financial advisors market themselves as trained to provide advice to seniors, using authoritative titles like "certified senior advisor" or "certified retirement counselor." Unlike a "certified financial planner," which requires years of rigorous study, becoming a "certified senior advisor" involves attending a three-and-a-half-day seminar and then passing an easy multiple choice test. "Certified senior advisors" are not even required to have a high school or college diploma.

Insurance companies often use graduates of these programs to sell insurance contracts to seniorsin particular deferred annuity contracts, which may not be in the best interest of the senior. Unlike an immediate annuity, which begins paying money right away, a deferred annuity does not begin paying for a set number of years. While deferred annuities can be a good way for some wealthy seniors to pass money to their heirs, it is not a good product for seniors living off their savings because they may die before they receive the money. However, insurance sales agents often push deferred annuities because the products pay higher commissions.

According to the *New York Times*, the following credentials sound impressive, but actually take only a few days to earn:

- certified senior adviser
- certified retirement counselor
- registered financial gerontologist
- certified retirement financial adviser

If you are looking for qualified financial advice, look for a "certified financial planner," "chartered financial consultant, or a "master of science in financial services (MSFS)." These programs actually involve years of study and require a college degree. Other ways to make sure you are getting good advice is to ask for references. You should also check with the **Better Business Bureau (http://www.bbb.org/)** and the **National Ethics Bureau (http://www.ethicscheck.com/)** to make sure there are no complaints filed against the advisor.

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John Ryan <jeryan@ryancoppola.com>

From the Guardian: FSA ban on commission-based selling sparks 'death of salesman' fears

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Retail distribution review reforms mean financial advisers will face tough new exams amid crackdown on mis-selling

Patrick Collinson

Sunday 30 December 2012

The Guardian

http://www.guardian.co.uk/business/2012/dec/30/fsa-ban-commission-selling-death

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New rules that ban commission-based selling are due to come into force on New Year's Eve in the biggest shake-up of the investment industry for decades, dubbed by some "the death of the salesman".

From now on, financial advisers will have to charge upfront fees to their customers rather than receive commission from companies supplying financial products. The move by the Financial Services Authority under its retail distribution review (RDR) includes pensions, Isas and unit trusts, and is designed to be more transparent and to reduce the risk of mis-selling.

It means that consumers will see clearly the cost of financial advice which may previously have appeared to be free since the charges were part of the commission payments made to the adviser. But some analysts believe that spelling out the costs, even though these can be spread over a number of years, could put many customers off seeking advice.

A recent survey by Rostrum Research found that nine out of 10 consumers would only pay up to £25 for an hour's financial advice, compared with the mooted £50-£250 an hour fee range expected in the review.

Graeme Bold, director of UK Retail RDR at Standard Life, said: "The requirement to disclose adviser charges in cash terms puts a definite price tag on financial advice. Asking someone to pay what might be a few thousand pounds a year is, psychologically at least, quite different to quoting a 1% ongoing charge."

Advisers will also have to pass tough new exams if they want to continue managing the financial affairs of their clients.

According to management consultancy Deloitte, 5.5 million people will either choose to cease using financial advisers or no longer have access to them.

Most of the big banks have already pulled out of offering mass-market retail advice or have begun cutting the number of advisers they have. In June, Royal Bank of Scotland blamed the new rules for its decision to cut 618 adviser jobs, while in November, Lloyds stopped face-to-face advice for anyone with less than £100,000 in assets after it found that most consumers were unwilling to pay a fee for the service. HSBC is cutting up to 700 roles, again blaming the introduction of RDR.

The full impact on Britain's 21,700 independent financial advisers will not be known until the new year, but the indications are that some will quit the industry, retire or switch to a new "restricted adviser" model.

A spokesman for the Association of British Insurers said that doom-laden stories in the industry's trade press are likely to be wide of the mark. "We don't think the numbers of IFAs will be decimated, as some are saying,' said the ABI's Malcolm Tarling.

Figures from the FSA suggest that most advisers have buckled down to the new professional standards regime. "The latest statistics we have are that 94% of advisers expect to be qualified come 31 December – 86% already hold the correct qualifications and a further 10% are awaiting results for their final exam," said an FSA spokeswoman.

The FSA anticipated that only one in 12 advisers would opt for the new restricted status, in which they give advice on only a limited range of products and services. But in recent weeks, more and more firms have declared that they will be restricted, as the costs and complexities of remaining a full IFA are too onerous.

Many advisers are terrified they may lose their main stream of income – called "trail commission" – from past sales. Until now, anyone selling an investment fund has tended to earn commission worth 0.5% of the fund value, every year. The new rules ban trail commission from New Year's Eve, but allow advisers to continue to benefit from trail on past sales, estimated at around £1.5bn a year in total. Many in the industry expect advisers will stop contacting former clients, for fear of disturbing the lucrative commission rates they are receiving.

There is also concern that commission-chasing salespeople will switch to pushing life, critical illness and private medical insurance policies, which do not come under the FSA commission ban.

The only large, stock market quoted financial adviser, Hargreaves Lansdown, has already been hit by fears about the impact of RDR on its business. In late October, Citigroup downgraded the company from "neutral" to "sell" as it cut its earnings forecast. Citigroup says that a decision by Hargreaves to pay loyalty bonuses in an effort to keep clients is likely to knock £10m off 2013 profits. Hargreaves turned from a medium-sized IFA into a national brokerage with a market cap of more than £3bn by pioneering discount deals in investments and pensions. But a plethora of challengers are now predicting that the RDR rules will allow new operators to become "tomorrow's Hargreaves".

Bestinvest, in a report entitled The death of the salesman and the rise of the DIY investor, predicts that millions of people, unable or unwilling to afford fees for advice, will go it alone and use internet-based "execution only" services rather than financial advisers.

The past few months has seen the launch of several web-only services aimed at the new breed of DIY investors, such as Nutmeg and Rplan, while existing advisers such as Bestinvest, Informed Choice and Plan Money have unveiled execution-only services. Instead of charging a fee equal to 0.5% of any fund bought, they are pricing their services as low as 0.05%. "We are where Hargreaves were 10 years ago," said Ian Williams, managing director of Cavendish Online, which claims it will be the cheapest seller of funds in the post-RDR world.

The major asset management groups are confident they will retain the 0.75% fee they earn from the traditional 1.5% annual management charge. Life companies, past masters at packaging financial products such as endowment mortgages with huge commissions to advisers, are expected to be worse hit, although they may offset the business loss from advisers with a revival of direct business.

What to ask your financial adviser

Here are five questions the Financial Services Authority recommends that customers ask their adviser in

the light of new rules:

1 How much will your advice cost me and how is this calculated?

2 Can you explain the different ways I can pay for advice?

3 Can you explain what products you can advise me on and any areas you cannot help me with?

4 How often will you review my investments?

5 Can you show me proof that you are qualified to give advice?

Vicky Shaw, PA

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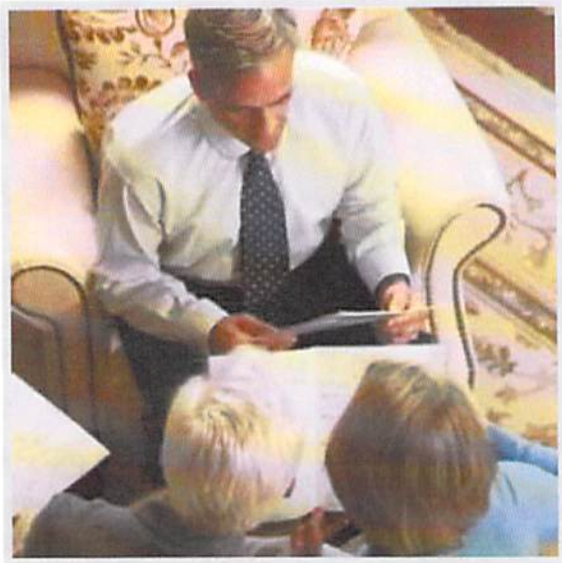
Is Your Financial Advisor Independent, An RIA Or Wirehouse Rep? You Have No Idea But You Should

Mindy Diamond, Contributor

Move up Move down

The days of simply picking up the Yellow Pages and selecting a stock broker at random or even "listening" to what E.F. Hutton has to say have gone the way of the rotary telephone.



The financial services landscape is not one size fits all; volumes could be written about each model, type of advisor and brokerage term.

Today, there are a dizzying number of ways for an investor to invest his or her money and a plethora of folks who have their hands out to invest those funds. But who are these people and who is the most qualified to invest your hard earned cash for you? What is a wirehouse? And, isn't a custodian someone who cleans up after your kids at their school?

With a few simple definitions, acronym decrypting and some background, you will be able to differentiate between them. In a time when transparency in financial services seems in short supply, having this information as you do your due diligence could make a significant impact on your financial well-being.

The types of investment firms out there today, strictly from an investor's point of view, are similar in most respects. If we think of the landscape of the financial services industry as a continuum, the first type of firm that many go to for investment advice is a **bank**.

Many people go to their local bank for their investment needs because it is convenient, familiar and less intimidating. However, the class of products that are offered by banks is somewhat limited and in general, despite the perception, as with other investment firms, your money is not guaranteed by the FDIC (Federal Deposit Insurance Corporation) or similar programs (According to the FDIC's website, the FDIC does not insure money invested in stocks, bonds, mutual funds, life insurance policies, annuities or municipal securities, even if these investments are purchased at an insured bank).

Banks are pushing their investment services more today than ever in an effort to capture a greater share of your wallet. They often cross sell in an attempt to get your mortgages, commercial business, life insurance, retirement plans, etc. Remember, one single financial institution may not be right for all of your investment needs.

For a more investment-centric option, there are the **wirehouses;** a somewhat anachronistic term defined by Merriam-Webster as "a brokerage firm connected with its branch offices and correspondents by private leased telephone or telegraph wires." Today, wirehouses are seen more as mega-firms that have hundreds of offices world-wide that share financial information, research and prices (see Investopedia).

These are the big 4 remaining national firms (Morgan Stanley Smith Barney, Bank of America's Merrill Lynch, UBS and Wells Fargo). These are **full service brokerages** (firms that provide a large variety of services to their clients, including research and advice, retirement planning, tax advice, and much more.) Clients can choose to be charged on a **fee basis** (where the advisor is paid a percentage of your assets under management regardless of the number of trades made) or on a **transactional** or **commission** basis (you pay the firm each time a security is bought or sold).

Regional firms (such as Raymond James, Ameriprise Financial, Janney Montgomery Scott, etc.) are similar to wirehouses except that they are generally only located in certain areas of the country. Generally, their product offerings are not as broad as the wirehouses and are much smaller insofar as headcount, assets under management and revenues.

For the more well-heeled client, **boutique** firms (e.g. Credit Suisse, Deutsche Bank, Barclay's) offer more white-glove service for their clients. They generally don't cater to clients with less than $2 million in investable assets and are only located in large wealth centers such as New York, Chicago, Los Angeles, etc. These firms are clearly not geared for the average investor.

With many clients and advisors becoming turned off to the big name firms, there has been a large uptick in the interest in **independent broker dealers.** These are similar to full service broker dealers except that their advisors are not employees, they are independent contractors. They do not answer to anyone except the compliance department and so they are free to service their clients any compliant way they choose. Financial advisors generally rely upon their broker dealer firms for varying levels of support, execution and compliance and either do business under their own firm name or that of the mother-ship (LPL for example).

Another independent option that is gaining significant attention is the **Registered Investment Advisor (RIA)** model. RIA's have been around since just after the Great Depression and are regulated by the Securities and Exchange Commission (SEC) (other types of firms are generally regulated by the Financial Industry Regulatory Authority –better known as FINRA).

An RIA advisor offers investment advice for a fee and is not paid on the sale or purchase of securities. What also distinguishes an RIA from other types of firms is that all assets are "held away" with a third-party **custodian** such as Fidelity, Schwab, Pershing, TD Ameritrade, etc; although the assets are overseen and managed by the financial advisor. What this means for the investor is that his money is safely in the hands of a multi-billion dollar entity that is removed from his financial advisor, creating a natural system of checks and balances.

Further, an RIA has a "**fiduciary duty**" to his clients; meaning that he has an obligation to provide proper investment advice and always act in the best interests of his clients. While this sounds like a "no brainer", for advisor models other than RIAs the advisor is held to a lower "**suitability**" standard meaning that all the investments made on behalf of the client must be suitable for the client when they are purchased.

For example, if you are gainfully employed and your financial advisor purchases a risky and non-liquid security on your behalf it might be deemed "suitable" at that time. However, if you were to lose your job down the road and were in need of liquidity and to be more conservative with your investments, that same investment would not be "suitable" for you in your current financial situation. If your advisor wasn't an RIA, there would be no obligation on him to keep tabs on the risky security to ensure that it would be appropriate for you under your new circumstance.

Not so in the RIA arena (under the fiduciary standard), where your advisor would be responsible for making sure that the risky investment be appropriate under all circumstances. (The lines between these definitions are becoming more blurred as Congress attempts to enact more stringent regulation in response to the financial turmoil of the recent past).

A large segment of financial advisors who do not wish to be completely tied to an Independent Broker Dealer or an RIA have the option to operate as a **hybrid** advisor. This advisor is dually registered with FINRA and the SEC thus allowing him to do both fee and commission based business. Many like the flexibility of being a hybrid as they can leverage the platforms of their RIA (fee) and Broker Dealer (commission) and provide clients with both services. The big plus for the advisor is that he doesn't have to turn away any type of business, and for the client, he will be offered a full suite of products and services from a variety of firms and a choice as to how to be charged.

For the extremely wealthy investor, the **multi-family office (MFO)** space has grown dramatically over the past several years. Typical clients have assets north of $25 million who demand high touch, sophisticated solutions, tailored to a very specific set of needs. Born out of the traditional single family office concept which dates back to the 19th century with families like the J.P. Morgans and the Rockefellers, MFOs began ramping up in the 1980s and 1990s as single family offices looked to defray costs and add similarly well healed clients who were looking for more sophisticated advisors and services. MFO's generally oversee a family's entire financial universe offering access to concierge like services, life style management, bill pay, philanthropy, tax and estate planning, banking and all other financial services and guidance.

At the other end of the spectrum are the **discount brokerage** firms such as Scott Trade, E-Trade, Schwab and Fidelity. Many of these firms have store front offices where an investor can walk in and have trades executed with little or no financial advice, and for a much smaller fee. The Discount Brokerage model has exploded over the last few years with the growth of the internet. This is a great solution for investors who want to do their own research, have smaller portfolios and are more transactional in nature.

The financial services landscape is not one size fits all; volumes could be written about each model, type of advisor and brokerage term. Only your personal financial circumstances, goals, and personality can help determine what type of advisor and firm would suit you best. The most important piece to consider, however, is that no matter what kind of advisor you select, or which firm they are with, you must completely trust that person and feel confident that he or she will invest your money responsibly and act in your best interest at all times. Choosing the person who will oversee your financial well-being is, in my opinion, as important as choosing your doctor(s) – it will be extremely impactful on your quality of life.

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Investment Banking March 2, 2013, 5:56 pm 175 Comments

Selling the Home Brand: A Look Inside an Elite JPMorgan Unit

By SUSANNE CRAIG and JESSICA SILVER-GREENBERG

Joshua Lott for The New York TimesJohnny Burris, a former private client adviser at JPMorgan Chase, says he was fired last year because he refused to push investors toward the bank's in-house financial products.

Everything is scripted for the brokers in an elite group at JPMorgan Chase: the sales pitches; the personal voice mail message; even the preferred desk candy, Glitterati Fruit & Berry.

In a three-inch-thick training manual, the bank, the nation's largest, details how to recruit clients, pitch products and, ultimately, close the deal — or, as JPMorgan puts it, "get to Yes!"

The manual is part of an intensive, weeklong training course. But it is only the beginning for JPMorgan's army of top advisers, who are critical to the bank's rapid expansion into wealth management, a fast-growing and highly profitable business. Interviews with more than 20 current and former JPMorgan brokers, as well as hours of recorded conversations between a former adviser and his bosses, portray a sales-driven culture that is unusually aggressive, even by Wall Street standards.

While financial advisers at other firms are typically free to offer a variety of investments, JPMorgan pressures brokers to sell the bank's own products, according to the current and former employees. Several advisers who resisted said they were told to change their tactics or be pushed out.

"We were not able to do the right things for our clients," said Brad Scott, a financial adviser who quit JPMorgan in April 2012 and now works at LPL Financial. Mr. Scott said that an executive told the brokers on a conference call, "You are not a money manager; you are an asset gatherer."

JPMorgan disputes the characterization. It says it puts its clients' needs first and devotes considerable resources to assembling high-quality investments, which include a mix of mutual funds managed by JPMorgan and by third-party firms.

The inner workings of the prestigious program, known as Chase Private Client, provide rare insights into JPMorgan's wealth management business, which is central to the bank's growth strategy.

Current and former brokers in the program contend that the bank, at times, prioritized profit to the detriment of its clients. While such criticism is not uncommon in the financial industry or other sales-driven businesses, the brokers say JPMorgan took an extreme approach.

To bolster sales, said the advisers, many of whom spoke on the condition of anonymity because they feared retribution, JPMorgan largely pushes its own bank-branded investments, which include a mix of mutual funds. While the practice can be legal, competitors have moved away from such investments after facing perceived conflicts. The concern is that, driven by fees, banks will push their own products over lower-cost options with stronger returns.

Some JPMorgan brokers said that the bank did not allow them to disclose the performance of the investment portfolios they marketed until customers bought the products, so prospective clients did not have a clear understanding of what they were buying. JPMorgan says it does provide some performance information to potential clients, but the return figures do not take the fees into account.

Some advisers also worried that the in-house products lacked the usual safeguards from the Securities Investor Protection Corporation, the private, nonprofit group that helps the clients of defunct brokerage firms. While the chances of JPMorgan failing are remote, several brokers said they wanted the added layer of protection, especially for retirees.

Other advisers, though, noted the advantages of the Chase Private Client program, citing the extensive expertise of the bank's money managers and investment professionals. "I've had the opportunity to work with many different groups and managers over these past years," said Anthony Caravetta, who has been an adviser at Chase Private Client since 2011, "and I have never once felt pressure to sell" JPMorgan products.

A JPMorgan spokeswoman, Kristin Lemkau, said the bank's products were "well diversified and designed by expert asset managers." She added that brokers had the option to sell third-party products if it made sense for clients.

Still, some brokers who deviated from the program said they faced repercussions.

Johnny Burris, a former financial adviser in Sun City West, a retirement community in Arizona, was called into a meeting with his managers in early July to discuss why he wasn't selling the bank's products, he said. Mr. Burris said he favored traditional mutual funds with strong records and the usual protections.

"At the end of the day, obviously, we always do what is most appropriate for the client," said Andrew Held, one of Mr. Burris's managers, according to a recording that Mr. Burris made of the conversation, which was reviewed by The New York Times. But he went on to tell Mr. Burris that it looked "a bit odd" that he hadn't "done any JPMorgan business" in the last three months.

Late last year, Mr. Burris was fired from JPMorgan. The bank said he "was terminated for not complying with regulatory requirements and not following firm procedure."

Mr. Burris says JPMorgan fired him because of his resistance to selling the bank's products. He has since filed an arbitration claim against JPMorgan for wrongful dismissal.

Ms. Lemkau, the JPMorgan spokeswoman, defended the bank's practices, noting that Mr. Burris secretly taped his colleagues. "We believe it is unethical and unfair for Mr. Burris to use these piecemeal conversations to make his case," she said. Mr. Burris said he recorded the conversations because he was concerned about his career after being pressured to sell JPMorgan products.

Within JPMorgan, Chase Private Client is considered a prestigious perch. The program's customers typically must have $250,000 in deposits or $500,000 in investments.

In recent years, the bank has poured millions of dollars into the program, which offers retirement advice and investment products through a vast network of retail branches. By the end of 2012, Chase Private Client had 1,218 locations, up from 262 a year earlier. Mr. Caravetta said Chase Private Client investments gave clients "the ability to leverage our intellectual capital." That way, he said, "clients don't have to play adviser lottery as they do with some other investment firms."

As JPMorgan expands the program, it is cutting back in less profitable areas and those crimped by new regulations, like trading. On Tuesday, the company said it would eliminate 4,000 jobs in consumer banking through attrition, largely from the lower-level positions in the bank's branches, rather than from its pool of financial advisers.

To staff Chase Private Client, JPMorgan often looks within its ranks. Brokers with top sales records are routinely approached, the current and former financial advisers said.

When Mr. Burris was asked to join the program, one of his managers, Philip Haigis, indicated that there were a few "glitches," according to tapes of the conversation. He said that Mr. Burris was not selling enough in-house products.

The bank, Mr. Burris's bosses explained, examines the amount of JPMorgan-branded portfolios of mutual funds that brokers sell. "If you look at our firm, 50 percent of all our sales go" to those investments, Mr. Haigis said. Furthermore, he said, such products draw less scrutiny from the Financial Industry Regulatory Authority, which polices Wall Street.

"Chase makes investment recommendations based on what's right for the client, not how heavily a product may be regulated, and managed products are subject to significant regulatory oversight," said Ms. Lemkau, the JPMorgan spokeswoman.

Mr. Burris tried to explain to Mr. Haigis that his strategy achieved better returns.

"If you build all these individual portfolios, you also are the one that has to manage and tweak them and move them," Mr. Haigis responded .

"That's our job — that's what we're paid to do," Mr. Burris said.

"Or you could be paid to let other people do it," Mr. Haigis said.

JPMorgan would not make Mr. Haigis or Mr. Held, the other manager, available for comment.

Despite his bosses' concerns, Mr. Burris was elevated to the elite program.

After joining the program, brokers attend training. The new recruits sit through sessions with titles like "Positioning JPMorgan Investments" and "Banking Product Overview."

Mr. Burris and Mr. Scott, the former JPMorgan adviser who now works at LPL Financial, said that during their training, they were discouraged from discussing the returns of the bank's products and told that they should focus instead on the overall story. "Chase Private Client is part of a firm with a proud history," the training manual said. The bank played "an important role in helping manage the credit crisis through the acquisition of Bear Stearns."

Shortly after his training, Mr. Burris was again called into a meeting about his sales.

In June 2012, Mr. Held acknowledged that the "bank-managed products are not the be-all, end-all." But, he said, they are the same product offered "to clients that have $50 million. So there's a lot of thought, a lot of intellectual capital and a lot of value."

He added , "You need to be presenting the private-bank, JPMorgan products and managed investment solutions."

"I'm not questioning your sales numbers," Mr. Held said , according to Mr. Burris's recording. "What I'm saying to you is you're not embracing the JPMorgan private-bank platform," he said, later adding: "You're not doing the presentation that you were trained to do in New York."

Mr. Burris, who now works at Oppenheimer & Company, was fired four months later.

A version of this article appeared in print on 03/03/2013, on page A1 of the NewYork edition with the headline: Selling the Home Brand: A Look Inside an Elite JPMorgan Unit.

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Handout

NEBRASKA DEPARTMENT OF BANKING AND FINANCE
DEPARTMENT OF SECURITIES

INTERPRETATIVE OPINION NO. 26 – USE OF CERTIFICATIONS AND DESIGNATIONS IN ADVERTISING BY INVESTMENT ADVISER REPRESENTATIVES AND BROKER-DEALER AGENTS

The Nebraska Department of Banking and Finance, Bureau of Securities ("Department"), hereby issues an interpretative opinion regarding the use of designations in advertising by investment adviser representatives and broker-dealer agents.

The Department takes the position that the use of a certification or designation on business cards, stationery and in advertising materials confers an impression with potential clients that the adviser or agent has special qualifications in a certain area of finance or financial planning. The requirements to obtain certifications and designations vary greatly, as can the processes for monitoring compliance with any code of conduct adopted by the organization which awards the certification or designation.

Investors often have insufficient information about the designations when trying to determine which designations represent meaningful achievement by broker-dealer agents or investment adviser representatives and which designations are marketing devices. The Department is particularly concerned about the use of designations and certifications that incorrectly imply expertise in the special financial needs of senior citizens.

Some purported certifications and designations appear to be part of a larger, systemic trend of aggressively marketing investments to potential investors with pre-retirement concerns as well as those who are looking for ways to reduce taxes or supplement a fixed income. The Department is aware of instances in which individuals have used a certification or designation to create the impression that the advice being given was unbiased, independent and based on special knowledge of the issues facing the investor, when the real objective was to convince the investor to sell existing financial assets to purchase financial products offered by the holder of the certification or designation. The same advice appears to have been offered to investors without regard for the specific needs of the individual investor.

The Department has determined that it is in the public interest and is necessary for the protection of Nebraska investors to issue this opinion regarding the use of certifications and designations by agents of broker-dealers and investment adviser representatives authorized to do business in Nebraska. The use of designations, other than those identified in this Interpretative Opinion, on business cards, stationery and in advertising materials will be considered a violation of Section 8-1102(1) of the Securities Act of Nebraska, Neb. Rev. Stat. §§ 8-1101 to 8-1124 (Reissue 1997, Cum. Supp. 2006) ("Act") and may result in administrative action.

In reviewing specific certifications and designations, the Department considered (1) the history and reputation of the issuing organization; (2) the experience and/or educational requirements, including the material and content of the required coursework, to obtain the certification or designation; (3) the type of examination required, the complexity and length of the examination, and the method of examination delivery; (4) the time period for completing the course work and achieving the certification or designation; (5) the continuing education requirements; (6) the ethical standards or code of ethics of the designation or certification; and (7) the process, if any, by which the designation may be revoked for violations of the ethical or other standards for the designation.

As set forth in 48 NAC 9.004.02, the following designations and certifications are currently accepted as alternatives to the examination requirements for investment adviser representatives. As such, these certifications and designations may be used by investment adviser representatives and broker-dealer agents in advertising and on business cards and stationery:

1. Certified Financial Planner (CFP) awarded by the Certified Financial Planner Board of Standards, Inc.;
2. Chartered Financial Consultant (ChFC) awarded by the American College, Bryn Mawr, Pennsylvania;
3. Personal Financial Specialist (PFS) awarded by the American Institute of Certified Public Accountants;
4. Chartered Financial Analyst (CFA) awarded by the Institute of Chartered Financial Analysts; and
5. Chartered Investment Counselor (CIC) awarded by the Investment Adviser Association, formerly the Investment Counsel Association of America, Inc.

As of the date of this Interpretative Opinion, the following certifications and designations have been reviewed by the Department and have been found to be acceptable for use by investment adviser representatives and broker-dealer agents in advertising and on business cards and stationery:

1. AAMS, Accredited Asset Management Specialist, awarded by the College for Financial Planning (effective 7/31/07);
2. AEP, Accredited Estate Planner, awarded by the National Association of Estate Planners and Councils (effective 12/21/07);
3. AIFA, Accredited Investment Fiduciary Analyst, awarded by the Center for Fiduciary Studies (effective 3/26/08);
4. AWMA, Accredited Wealth Management Adviser, awarded by the College for Financial Planning (effective 7/31/07);
5. CAIA, Chartered Alternative Investment Analyst, awarded by Chartered Alternative Investment Analyst Association (effective 9/2/08);
6. CAP, Chartered Adviser in Philanthropy, awarded by The American College (effective 12/21/07);
7. CASL, Chartered Advisor for Senior Living, awarded by The American College (effective 7/31/07);
8. CDFA, Certified Divorce Financial Analyst, awarded by The Institute for Divorce Financial Analysts (effective 9/30/09)
9. **CEBS, Certified Employee Benefit Specialist, awarded by the International Foundation of Employee Benefit Plans and The Wharton School of the University of Pennsylvania (effective 9/30/10)**

10. CEP, Certified Equity Professional, awarded by Certified Equity Professional Institute (effective 9/2/08);
11. CFBS, Certified Family Business Specialist, awarded by The American College (effective 12/21/07);
12. CFE, Certified Financial Educator, awarded by Heartland Institute of Financial Education (effective 12/21/07);
13. CFS, Certified Fund Specialist, awarded by The Institute of Business & Finance (effective 12/21/07);
14. CIMA, Certified Investment Management Analyst, or CIMC, Certified Investment Management Consultant, awarded by Investment Management Consultants Association (effective 11/16/07);
15. CLTC, Certified in Long-Term Care, awarded by the CLTC Board of Standards, Inc. (effective 3/26/08);
16. ChFEBC, Chartered Federal Employee Benefits Consultant, awarded by the Federal Employee Benefit Specialist, Inc. (effective 4/1/09);
17. CLU, the Chartered Life Underwriter, awarded by The American College (effective 7/31/07);
18. CMFC, Chartered Mutual Fund Counselor, awarded by the College for Financial Planning (effective 7/31/07);
19. **CPWA, ~~Chartered~~ Certified Private Wealth Advisor, awarded by the Investment Management Consultant Association (effective 4/1/09, revised 9/30/10);**
20. CRC, Certified Retirement Counselor, awarded by the International Foundation for Retirement Education (effective 12/21/07);
21. CRPC, Chartered Retirement Planning Counselor, awarded by the College for Financial Planning (effective 7/31/07);
22. CRPS, Chartered Retirement Plans Specialist, awarded by the College for Financial Planning (effective 7/31/07);
23. CTFA, Certified Trust and Financial Advisor, awarded by Institute of Certified Bankers (effective 11/16/07);
24. CWS, Certified Wealth Strategist, awarded by Cannon Financial Institute, Inc. (effective 9/2/08);
25. FIC. Fraternal Insurance Counselor, awarded by the Fraternal Field Manager's Association (effective 11/16/07);
26. FICF, Fraternal Insurance Counselor Fellows, awarded by the Fraternal Field Manager's Association (effective 11/16/07);
27. FSA, Fellow of the Society of Actuaries, awarded by the Society of Actuaries (effective 11/16/07);
28. FSS, the Financial Services Specialist, awarded by The American College (effective 7/31/07);
29. LUTCF, the LUTC Fellow, awarded by The American College and the National Association of Insurance and Financial Advisors (effective 7/31/07);

30. PLANSPONSOR Retirement Professional (PRP), awarded by The PLANSPONSOR Institute (effective 9/30/09);
31. REBC, Registered Employee Benefits Consultant, awarded by The American College (effective 12/21/07);
32. Retirement Planning Specialist, awarded by the AXA Equitable Life Insurance Company (effective 6/30/08);
33. RFC, Registered Financial Consultant, awarded by The International Association of Registered Financial Consultants (effective 12/21/07);
34. RHU, Registered Health Underwriter, awarded by The American College (effective 12/21/07); and
35. RP, Registered Paraplanner, awarded by the College for Financial Planning (effective 7/31/07).

The Department will review this list on a quarterly basis for possible additions or deletions. Broker-dealer agents and investment adviser representatives should ensure that they have the most current release of this Interpretative Opinion by checking the Department's website, www.ndbf.ne.gov.

The Department does not endorse the use of any particular certification or designation or any registrant holding such certification or designation. Further, this Interpretative Opinion is not a determination concerning the qualifications of any person holding such certification or designation. Pursuant to Section 8-1114 of the Act, it is a violation of the Act for any person to make a contrary representation.

The Department encourages broker-dealer agents and investment adviser representatives authorized to do business in Nebraska to take advantage of programs that provide opportunities to continue their education, provided any certification or designation bestowed as a result of such programs is not used to imply financial expertise that does not exist.

Questions regarding this opinion should be addressed to:

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