



## NEWS

**CONTACT:**

Gordon J. Bernhardt, CFP®, AIF®

Bernhardt Wealth Management

703-356-4380

[Gordon@BernhardtWealth.com](mailto:Gordon@BernhardtWealth.com)

## **Leading Fiduciary Planners Convene to Craft Guide for Consumers Confused by Broker vs. Advisor Differences and Reg BI**

### *Bernhardt Wealth Management's Gordon Bernhardt Participates in Essential Dialogue*

**MCLEAN, VA [November 13, 2018]** – Registered Investment Advisor (RIA) Gordon J. Bernhardt, CFP®, AIF® joined leading financial advisors last month in Philadelphia to identify methods for helping consumers who are confounded by the Securities and Exchange Commission's Regulation Best Interest (Reg BI). Held in conjunction with the National Association of Personal Financial Planners (NAPFA) national conference, Bernhardt and 40 additional fiduciary champions discussed how they can best educate consumers about the difference between financial brokers and financial advisors. As a result of the meeting, a guide will be crafted and made available in the near future.

The program was organized by the Institute for the Fiduciary Standard, a nonprofit that educates investment professionals and consumers on the importance of authentic fiduciary advice. "Consumers continue to struggle to know who is a broker and who is an advisor, and the SEC's Reg BI offers no help," said Knut A. Rostad, president of the [Institute for the Fiduciary Standard](#). "The proposed rules depict broker and advisor conduct as virtual identical twins. This depiction is confusing and wrong. The legal, contractual, business and cultural differences dividing brokers and advisors are important, and must be clearly stated and explained."

Bernhardt, President and CEO of Bernhardt Wealth Management in McLean, Va., stated, "Those who invest their hard-earned funds in order to assure their retirements should think carefully about where those funds are entrusted. Ask questions to fully understand why an investment is right for you, how the advisor is being compensated, what fees will you be

paying, what are the advisor’s credentials and what kind of on-going support will you receive. Avoid anyone who cannot give reasonable, understandable and transparent answers.”

The nationally recognized advisors and fiduciary experts who spoke at the meeting included: Skip Schweiss, Ron Rhoades, Dan Moisand, Tom Orecchio, Paula Hogan, Joel Isaacson and Paul Pagnato.

## **MOMENTUM FROM “RAISE YOUR VOICES” CAMPAIGN**

In June 2018, several nationally recognized groups of fiduciary advisors announced an initiative of Registered Investment Advisors (RIAs), who are SEC and state registered investment advisors, to explain how independent financial advisors are different from commission-based sales people known as brokers. The initiative, dubbed the “Raise Your Voices Campaign,” launched as the SEC sought comments on proposed rules related to standards for FINRA licensed brokers and SEC / state registered investment advisors.

“Registered investment advisors – also know ‘in short’ as RIAs – can point out these differences, noted by the courts, in basic human terms. In a broker relationship there are three entities involved – the company that is manufacturing and/or selling the investment or insurance products, the customer purchasing the products, and the broker in the middle who earns a commission for products sold. On the other hand, in an advisor relationship, there are just two entities: the client and the advisor. The advisor and the broker treat retail investors in entirely differently ways,” Rostad said.

## **FIDUCIARY ADVISOR GROUPS ECHO NEED TO SPEAK UP NOW**

Several nationally known fiduciary advisor groups have joined the Institute for the Fiduciary Standard in rallying members to speak up now. The advisor groups taking an active stance include:

- National Association of Personal Financial Advisors (NAPFA) ([www.NAPFA.org](http://www.NAPFA.org))
- Garrett Planning Network ([www.GarrettPlanningNetwork.com](http://www.GarrettPlanningNetwork.com))
- XY Planning Network ([www.XYPlanningNetwork.com](http://www.XYPlanningNetwork.com))
- Alliance of Comprehensive Planners (ACP) ([www.ACPlanners.org](http://www.ACPlanners.org))
- The Committee for the Fiduciary Standard ([www.thefiduciarystandard.org](http://www.thefiduciarystandard.org))

**The Institute for the Fiduciary Standard has posted additional guidance on what the Board believes fiduciary advisors should do for clients:**

<http://www.thefiduciaryinstitute.org/wp-content/uploads/2018/01/BestPracticesDec222017.pdf>

## **ABOUT BERNHARDT WEALTH MANAGEMENT**

Bernhardt Wealth Management was established in 1994 by Gordon J. Bernhardt, CFP®, AIF®. The firm provides financial planning and wealth management services to affluent individuals, families and business-owners throughout the Washington, D.C. area. The Bernhardt team is focused on providing high-quality service and independent financial advice to help clients make informed decisions about their money. For more information, visit <http://www.BernhardtWealth.com>.

## **ABOUT THE INSTITUTE FOR THE FIDUCIARY STANDARD**

The Institute for the Fiduciary Standard formed in 2011 as a non-profit to provide research and education on the vital role of the fiduciary duties for investors and the capital markets. The Institute's Best Practice advisors affirm their fiduciary and fee-only practices to the SEC. See [www.thefiduciaryinstitute.org](http://www.thefiduciaryinstitute.org).