

Corporate & Financial Weekly Digest

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SEC Requests Comment on Study Regarding Obligations of Brokers, Dealers and Investment Advisers

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The Securities and Exchange Commission has requested public comment regarding the effectiveness of the existing standard of care for brokers, dealers, investment advisers and their associated persons when providing personalized investment advice and recommendations about securities to retail customers. As required by the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the Act), the SEC is conducting a study on this subject and must submit a report on the study to the Senate and the House within six months after enactment of the Act. The SEC is seeking public input on a variety of issues regarding the obligations of brokers, dealers and investment advisers, particularly regarding the effectiveness of and whether there are gaps, shortcomings or overlaps in existing legal or regulatory standards of care for brokers, dealers and investment advisers when providing personalized investment advice and recommendations about securities to retail customers. At the completion of the study, the SEC will have the authority to write rules that would create a uniform standard of conduct for professionals who provide personalized investment advice to retail customers. The SEC will accept comments on or before 30 days from publication in the Federal Register.

Click [here](#) to read Securities and Exchange Commission Release No. 34-62577.

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