



Compliance Overview

Securities Licensed Reps Using B/D RIA. If you are securities licensed you can only charge fees as a an Investment Advisor Representative (IAR) of a Registered Investment Advisory Firm (RIA). Most broker-dealers permit their representatives to register with their corporate RIA or to create their own independent RIA.

If you are already approved as an Investment Advisor Representative (IAR) with your broker-dealer's corporate RIA, you simply offer estate planning services using the fee-for-services agreement that your broker-dealer RIA provides. Most fee agreements have a place to specify the services for which the fee is being assessed. You simply identify estate planning consultation. You do not need to modify your outside business activities (OBA) disclosure to your broker-dealer because all your activities under the broker-dealer RIA are already approved.

Note: If you hold a securities license but have not yet registered as an Investment Advisor Representative (IAR) with your broker-dealer's corporate RIA, then you must do so before you can charge fees for any kind of services, including but not limited to estate planning services. Once you are officially approved as an IAR then simply offer estate planning services using the fee-for-services agreement your broker-dealer RIA provides.

Securities Licensed Reps Using Independent RIA. If, in addition to providing fee-based services under your own independent RIA, you are also a Registered Representative with a broker- dealer, and you did not identify that your consultations involved estate planning when you filed your original OBA disclosure for your independent RIA, you will need to add estate planning services to your outside business activities disclosure to your broker dealer.

Fee-only RIA. If you have created your own independent RIA then compliance issues fall entirely to you.

Life Insurance Agents. If you life licensed but are not securities licensed then compliance issues, if any, vary based on the companies you represent, on an contract-by-contract basis.

Non-licensed Advisors. CPA's, tax preparers, mortgage brokers, funeral directors, etc. are examples of advisors that usually are not licensed to sell insurance or investment products. These advisors have no formal compliance requirements other than what may be required based on their internal guidelines about representing "3rd party services" found in their employment contracts.