



## **SIFMA Private Client Conference**

Thursday, April 7, 2015

Randy Snook, Executive Vice President, SIFMA

Lunch Welcome Remarks

*As prepared for delivery*

Good afternoon. I'm Randy Snook, executive vice president of business policies and practices at SIFMA. It's terrific to have all of you here with us today. I'd like to thank Federated Investors for sponsoring today's luncheon speaker, and also extend my thanks to all of the conference speakers and sponsors for their participation and support of SIFMA's Private Client Conference.

At SIFMA, we're proud to have an active Private Client Group that represents wealth management professionals at global, national, regional, independent contractor, and small firms. This group sits at the nexus of the important relationship between financial advisors and individual investors. At SIFMA, we are trying to ensure that advice and investment opportunity can be delivered in a way that preserves investment choice and services.

We are a powerful voice in your advocacy. In fact, SIFMA's Private Client Group represents an estimated 70%, or 265,000, of U.S. financial advisors. And with five member-driven Committees and 21 Roundtables we are able to focus on the latest trends and regulations in order to help you better serve your clients.

On June 16<sup>th</sup>, we will hold our Complex Products Forum here in New York to discuss the evolution and regulation of the sale of complex products and the proactive steps firms can take to continue to best serve individual investors, and manage regulatory risk.

In October, we will host our 12<sup>th</sup> Social Media Seminar in New York where we will discuss the rapidly changing and growing use of social media to engage and communicate with clients and examine the ways to address the new legal and compliance challenges that emerge with new technology.

We are also partnering with FINRA to host a Senior Investor Roundtable this fall where we will dive deeper into best practices adopted by firms to better address the challenges working with aging investors with diminished capacity such as Alzheimer's and examine ways to protect senior clients from financial exploitation. We will also examine regulatory efforts put forth by FINRA and new and proposed laws at both the state and federal level.

Yesterday's announcement of the Department of Labor's final rule comes with many unanswered questions on how this new regulation will impact your current business models and change your current relationship with your clients. We know that navigating through this new rule will be a very costly, extremely complicated undertaking that in all likelihood will require additional guidance and interpretation from the DOL and other regulators such as the SEC and FINRA. Join our member call on April 13 or in person at our May 11 conference in New York.

While regulation can be necessary to mitigate risks and to ensure fairness, it is important not to swing the pendulum too far. Whether we are implementing the Department of Labor's fiduciary rule or mutual fund regulation, risks will exist. However, we must ensure that any efforts to mitigate this risk remain in balance, so as not to limit investor choice or opportunities.

Individual investors are the engines of our financial system. They provide the necessary capital and liquidity to fuel robust capital markets and drive economic growth and job creation. That is why it is so important that we do not allow regulations to stifle access to our markets that limit investor choice.

Instead, we must work with policymakers to preserve the ability to create opportunities and promote investor confidence, so that our clients have more options when it comes to growing their wealth and saving for retirement.

The private client business, and the way firms serve their clients, should not be shaped by regulation, but by the important relationship between financial advisors and investors. You are a crucial element in client success – one which continues to evolve as we seek out new and innovative ways to better communicate with clients and help them reach their savings goals. This theme is evidenced throughout today's conference.

This morning we heard from a great group of speakers and panels on the business challenges facing our industry and the changing landscape ahead. After our lunch program, we will dive deeper into ways you can better help your clients reach their goals. We'll hear from experienced advisors from around the country who help their clients navigate through life events to reach their savings goals, as well as look at the important financial advisor/investor relationship that is crucial to helping investors make sound financial decisions.

Before I introduce our lunch speaker, I want to thank all of you for being here today. Our conferences would not be as successful without your participation - whether you are a speaker, a sponsor or an attendee.

Now it is my pleasure to introduce our keynote speaker. Michael Smerconish is the host of *The Michael Smerconish Program* on SiriusXM Channel 124, the host of CNN's *Smerconish* on Saturday mornings, a newspaper columnist and an author. He is most often recognized for his radio work and *Talkers Magazine* has consistently named him one of America's most important talk show hosts.

In 2009, Michael became the first radio host to interview President Barack Obama live from the White House, and has interviewed President Obama on seven different occasions. He has also interviewed Presidents Jimmy Carter, George H.W. Bush, Bill Clinton and George W. Bush, as well as Vice Presidents Al Gore, Dick Cheney and Joe Biden.

Michael is the author of six books, two of them New York Times best sellers. He has donated all author proceeds from three of those manuscripts to charity.

He served in the George H. W. Bush administration, and became a radio and television commentator after experiences he had at an early age in Republican politics.

He is a graduate of the University of Pennsylvania Law School, and currently serves of counsel to the Philadelphia law firm of Kline & Specter. He is also a Phi Beta Kappa graduate of Lehigh University where he majored in Government and Journalism.

Ladies and gentleman, please join me in welcoming Michael Smerconish.