



FOUNDATION FOR FIDUCIARY STUDIES

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FOR IMMEDIATE RELEASE

FOUNDATION RELEASES DETAILS OF NEW FIDUCIARY STANDARD TO MEET REQUIREMENTS OF PROPOSED FINANCIAL REFORM BILL

(BOSTON, MA June 28, 2010) The Foundation for Fiduciary Studies (FFS) released today a new fiduciary standard of care designed to "harmonize" across financial services in accordance with the terms of Congress' proposed **Financial Reform Bill**. The new standard, registered by FFS as the *2010 Fiduciary Standard*, also is designed to comply with the proposed language of the amended **2006 Pension Protection Act (2006 PPA)**.

"The inclusion of the fiduciary requirements in the Financial Reform Act has raised the urgency for an up-to-date standard," reported Louis Harvey, president of FFS. "Fortunately, we have been working on the new *2010 Fiduciary Standard* for the last two years and can respond immediately to the new legislation."

"The new *2010 Fiduciary Standard* defines the details of a procedurally prudent fiduciary process," reported Don Trone, the founder of FFS and the lead developer of the *2010 Fiduciary Standard*. "The *2010 Fiduciary Standard* may be used in a number of different applications:

- Financial planning;
- Fiduciary Advisers subject to the 2006 PPA;
- Wealth advisors, within and outside of the US;
- Governance for boards of directors;
- Project management for staff.

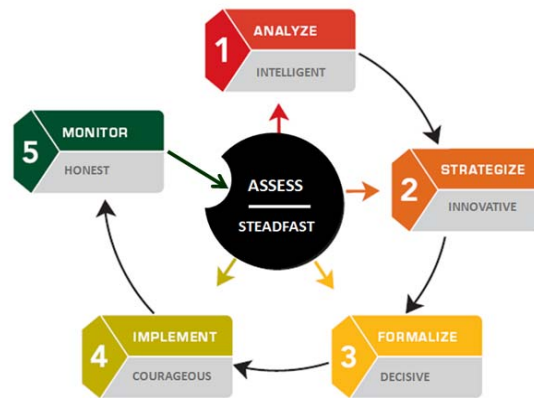
The framework for the newly registered *2010 Fiduciary Standard* consists of five steps and seventeen dimensions (the **Attachment** provides details). The *2010 Fiduciary Standard* is now available for licensing to training, designation, technology, and certification organizations.

About the Foundation for Fiduciary Studies

The Foundation for Fiduciary Studies (“FFS”) is a not-for-profit (501(c)(3)) organization established in September of 2000 to develop and advance registered standards for investment fiduciaries, which includes trustees, investment committee members, brokers, bankers, investment advisers, and money managers. The registered standards are designed to provide the details of a procedurally prudent process based on existing fiduciary legislation, regulations, regulatory opinion letters and bulletins, and case law.

FFS is independent of any ties to the investment community and therefore positioned to be a crucible for advancing registered fiduciary standards throughout the industry and to the public. FFS maintains and updates the standards and practices as changes occur in legislation, regulation and industry practices.

Attachment: DETAILS OF NEW 2010 FIDUCIARY STANDARD



Step 1: Analyze

- 1.1: State goals and objectives (“objectives”)
- 1.2: Define roles and responsibilities of decision-makers
- 1.3: Brief decision-makers on objectives, standards, policies, and regulations

Step 2: Strategize (“RATE”)

- 2.1: Identify sources and levels of **Risk**
- 2.2: Identify **Assets**
- 2.3: Identify **Time Horizons**
- 2.4: Identify **Expected Outcomes** (“performance”)

Step 3: Formalize

- 3.1: Define the strategy that is consistent with **RATE**
- 3.2: Ensure the strategy is consistent with implementation and monitoring constraints
- 3.3: Formalize the strategy in detail and communicate

Step 4: Implement

- 4.1: Define the process for selecting key personnel to implement the strategy
- 4.2: Define the process for selecting tools, methodologies, and budgets to implement the strategy
- 4.3: Ensure that service agreements and contracts do not contain provisions that conflict with objectives

Step 5: Monitor

- 5.1: Prepare periodic reports that compare performance with objectives
- 5.2: Prepare periodic reports that analyze costs, or ROI, with performance and objectives
- 5.3: Conduct periodic examinations for conflicts-of-interest and self-dealing, and breaches of a code of conduct
- 5.4: Prepare periodic qualitative reviews or performance reviews of decision-makers