

U.S. REGULATORS UPDATE BEST PRACTICES FOR FIRMS SERVING SENIOR CLIENTS

U.S. regulators have issued an update to a report first published in 2008 that examines best practices for serving senior investors.

The U.S. Securities and Exchange Commission (SEC), Financial Industry Regulatory Authority (FINRA), and **North American Securities Administrators Association (NASAA)** published a report in 2008 to highlight steps being taken by some financial services firms in serving senior clients, in an effort to assist the industry in enhancing compliance, supervisory and other practices related to older investors.

On Friday, they issued an addendum to that report that details the latest practices for:

- communicating effectively with senior investors;
- training and educating employees on senior-specific issues;
- establishing an internal process for escalating issues;
- obtaining information at account opening; ensuring suitability; and,
- conducting senior-focused supervision, surveillance and compliance reviews.

The regulators note that they view the protection of senior investors as a priority, and they urge financial services firms to continue to develop practices that will help them to better serve senior investors.

“As the number of senior investors increases each year and many seniors’ retirement assets decreased, it is important that firms remain mindful of the concerns in dealing with senior investors,” the regulators say.

(Source: *Investment Executive*: 16 August 2010)