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News

Kaleda Comments on States Establishing Their Own Best Interest Fiduciary Regulations

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Principal David Kaleda was quoted in the PLANADVISER article, "States Start Knitting a Patchwork of Best Interest Fiduciary Regulations," where he discussed how a growing number of states are establishing requirements for advisers to be subject to a fiduciary standard under their states' securities regulations. He laid out how the requirements may prove challenging for firms with advisers in multiple states as they come into effect.

"Firms that provide advice over the internet or by similar means—e.g., robo-advisers—may face even greater challenges because it may be difficult to identify when investment advice is provided in [Nevada, New York, etc.]."

With respect to a law passed by the state of Nevada, David noted, "Advisers need to consider whether they will provide services to clients in Nevada under these circumstances and, if so, how they will comply while still meeting the state's obligations under Securities and Exchange Commission (SEC) and Department of Labor regulations."