

## Financial Services Institute 2006 Year in Review

Advocacy – our primary mission – takes many forms and happens in many venues. In our third year as the one voice for independent broker-dealers and independent financial advisors, FSI continued building on the foundation of our first two years. Our advocacy initiatives made a difference – with regulatory agencies, on Capitol Hill, within our membership base, and in industry and public forums. This is how FSI worked on your behalf in 2006.

### *Your FSI in 2006 . . .*

#### **Your leaders – volunteer and staff – went to . . .**

- Washington a dozen times to meet with senior executives of NASD and SEC, House and Senate members and their staff
- Montgomery, Alabama to meet with the president of NASAA
- Fifteen states to speak to broker-dealers' conferences, reaching more than 5,000 individual financial advisors
- Capitol Hill, during our 3<sup>rd</sup> Annual Public Policy Day, where meetings took place with 66 senators and representatives from 23 states

#### **Your advocacy focus was on . . .**

- Continued involvement in the NASD governance structure and process by helping five FSI members get elected to NASD District Committees. 2007 FSI Chair John Simmers, CEO of ING Advisors Network, was elected in early 2006 to the NASD Board of Governors.
- Constructive engagement in the rulemaking process, with a focus on proposed new variable annuities rules, equity-indexed annuities, and Reg SP and its effects on broker-dealer recruiting.
- Supporting the House Subcommittee on Capital Markets, Insurance, and Government Sponsored Enterprises in its request that the Government Accountability Office study evidence of proposed examination process reforms at the SEC.
- Active lobbying for and support of H.R. 4618, the Compliance, Examinations, and Inspections Restructuring Act of 2005, a bill that would force significant reforms of the examination processes at the SEC.
- Leveraging our impact on an increasingly challenging regulatory climate by collaborating with like-minded organizations such as The Financial Services Roundtable.
- Endorsing the proposed consolidation of the regulatory functions of NASD and NYSE regulation into a single, unified self-regulatory organization for the securities industry.

**Your PAC contributions were . . .**

- A total of \$77,725, of which \$34,510 was contributed in 2006 to 14 candidates for federal office, including . . .
- Tom Price for Congress, Friends of Jeb Hensarling, Bachus for Congress Committee, Pryce for Congress, Mark Kennedy 06, Buckeye Liberty PAC, Castle Campaign Fund, Barney Frank for Congress Committee, Committee to Re-elect Vito Fossella, Tom Feeney for Congress, Davis-Kentucky Victory Committee, Pennsylvanians for Kanjorski, and The Hawkeye PAC.

**Your membership numbers grew to . . .**

- 103 independent broker-dealer firms
- 5,400 independent financial advisors

**Your membership dollar provided . . .**

- Four free web conferences on topics of importance to independent broker-dealers and financial advisors
- Free, bi-annual discussion groups for broker-dealer firms' employees
- FSI *Voice*, the quarterly FSI newsletter
- Eight advocacy reports to members
- A major White Paper on the independent channel
- Two "On the Issues" papers on broker-dealers and the independent RIA
- Comment letters on every important rule proposal affecting our members
- FSI's 3<sup>rd</sup> Annual Public Policy Day in Washington
- Market research on the value of FSI member benefits and proposed enhancements

*For further details on our 2006 advocacy efforts, and our 2007 advocacy focus, please visit the Web site: [www.financialservices.org](http://www.financialservices.org).*