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### REGULATORY ENVIRONMENT COMPARISON TABLE (July 2009)

	Australia	Austria	Brazil	Canada	China	Chinese Taipei	France	Germany	Hong Kong	India	Indonesia	Ireland
1. Is the term "financial planning" regulated in your territory?	No	no	No	No	No	Yes	no	no	no; investment advice and sales are	no	No	No
2. Is the term "financial planner" regulated in your territory?	No		No	No	No	Yes					No	No
3. In your territory (check all that apply): a.) Financial planners are regulated as "financial planners." b.) Financial planners are regulated as "financial advisors." c.) Financial planners are regulated according to the products they sell or advise on. d.) Financial advisors or planners are not regulated.	B and C	no; banking, insurance, investment advice regulated	C. Investment advisors are regulated by CVM (Brazilian SEC) and Central Bank; insurance brokers are regulated by SUSEP	C	D	C, Financial planners are regulated as "wealth managers"	no; regulated: financial and securities advice, insurance and real estate sales	no; securities and insurance industries regulated	no; regulated: banking and investment advice, securities and futures, fund management; sale of insurance products/ mandatory provident funds	no; license for insurance/ mutual fund advice, portfolio managers, pension advice, stock, commodities broker, derivative traders	C. Under the regulation, each person selling a product must obtain a license from the prospective areas in the government, such as the Department of Finance and Central Bank.	C
4. How many regulators are there in your territory for financial services? (If more than one, please list the regulators and the services they oversee.)	Two. The Australian Securities and Investments Commission regulates consumer protection and market conduct. The Australian Prudential Regulatory Authority regulates capital adequacy, banks, life companies and superannuation funds.	one	Four. Central Bank Securities Exchange Commission (CVM); Insurance and Personal Retirement Products Supervisory Board (SUSEP); Employer/Employee Pension Funds Supervisory Board (SPC)	More than five. Because of our constitutional framework, we have securities regulators in each province as well as financial services regulators (for insurance products). In addition, we have separate national self-regulatory organizations (SROs) that regulate product sales for mutual funds (MFDA) and securities (IIROC). Canada is in the process of trying to create a national securities regulator.	Four. 1) People's Bank of China oversees financial policy 2) China Banking regulatory Commission oversees operations of banks 3) China Insurance Regulatory Commission oversees operations of insurance companies 4) China Securities Regulatory Commission oversees operations of securities companies and fund management companies.	One. Financial Supervisory Commission Executive Yuan. FSC acts as a single regulator for the supervision of financial services. It consists of four bureaus: banking, securities and futures, insurance and financial examination.	one	none currently	four different regulators	multiple; individual securities, insurance, pensions, commodities, banking, post office	Two. For banking sectors, it is under the central bank. For insurance (insurance division) and investments sectors (Bappepam = toa security exchange) all under the Department of Finance Republic of Indonesia.	One

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5. Does your territory have uniform regulation covering financial services?	Yes. Credit is being included in Federal regulation at the moment. Only property and real estate are State-regulated now.	yes, except financial advice	Yes	No. We don't have uniform rules, however many of the provinces, through national coordinating bodies, have adopted national instruments.	No	No	yes	yes for securities; EU-wide for insurance	no; different regulations for selling different products	no	No	Yes. A lot of regulation relates to the implementation of EU Directives, e.g. the Insurance Mediation Directive and the Markets in Financial Instruments Directive (MIFID)
6. Who is licensed: the company, the advisor or both?	The company.	both	The company and the advisor, but the advisor is the person responsible if the company has problems with regulators.	The company and the advisor.	The company.	The company and the advisor. The advisor must be qualified and the company must get permission from the authority.	both if advisor is independent	both if advisor is independent	both	both if advisor is independent	The company and the advisor.	The company and the advisor.
7. Does your territory's legislation recognize CFP certification?	No	no	No	No	No	No	no	no	yes, for certain exemptions from licensing examination	no	No	No
8. Are commissions for advice banned in your territory?	No. The FPA has recommended that members move away from a commission-based model, and we have urged the Government not to regulate remuneration, beyond the need to disclose it.	no	No	No	No	No	no	no	no	yes; for commissions on mutual fund/ insurance sales; other areas silent	No, not yet regulated	No. Commission is the predominant way in Ireland o remunerating the provision of advice to consumers on retail financial products.
9. Generally, does the marketplace in your territory favor "fee for service"?	Yes	no, at least from customer side	No, Most financial advisors are commission-based.	No. Currently, most of the CFP professionals receive compensation for the financial plan through fees associated with product sales.	No	No	no; fee for financial planning rare	not yet	no	IFA doing well; preference: combination of fee and commission	No	No

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	Australia	Austria	Brazil	Canada	China	Chinese Taipei	France	Germany	Hong Kong	India	Indonesia	Ireland
10. Does your territory regulate the "quality" of advice?	No	yes	No. The tendency is for self-regulation.	No. There is no regulation of quality of advice for financial planners. However, with respect to product sales, they must satisfy themselves that the investment is suitable for the individual.	No, but it depends. So far, the government cares more about the risk disclosure for financial products.	No	yes	yes	no	no	No	Yes. Financial advice has to comply with certain standards set in the Financial Regulator's Consumer Protection Code, e.g., suitability of advice.
11. What, if anything, must financial planners disclose under your territory's regulatory structure?	Financial planners have a regulatory obligation to disclose the following: remuneration, conflicts of interest, terms of business.	license, sources of revenue, conflict of interest	Financial planners have no regulatory obligation to disclose information.	Financial planners have no regulatory obligation to disclose information.	Financial planners have a regulatory obligation to disclose the following: risk exposure of financial products and to test the risk tolerance.	Financial planners have a regulatory obligation to disclose the following: a wealth manager shall fully disclose product prospectus and a risk statement for each product and handling fees or other expenses to a customer, and retain records for verification.	fees and commissions	non-CFP: limited, based on client relationship; CFP: license, revenue sources, conflict of interest	conflict of interest	legally nothing	Financial planners have no regulatory obligation to disclose information.	Financial planners have a regulatory obligation to disclose the following: commissions on certain life assurance insurance products.
12. Is regulatory disclosure mandatory for financial planners in your territory?	Yes	yes; written/ documented	N/A	No. The only obligations are those with respect to product sales.	Yes	Yes	via letter of appointment or corporate notice	yes; written and documented	yes	n/a	N/A. We don't have regulation yet, but we still disclose under our CFP Professional Practice Standards.	Yes, but only in relation to types of life assurance products.
13. Please list the types of organizations that sponsor public financial literacy programs in your territory.	Government sponsored, business sponsored, non-profit consumer organization-sponsored, FPA does a fair bit of consumer literacy work.	yes; business (AFP together with its members)	Government sponsored, business sponsored, non-profit consumer organization-sponsored; The Government along with private entities are concluding a blue print for a National Strategy for Financial Literacy.	Government sponsored, business sponsored, non-profit consumer organization-sponsored.	Government sponsored, media sponsored, business sponsored.	Government sponsored, business sponsored, non-profit consumer organization-sponsored.	yes; business media and financial publications, not government	yes; recently begun by business and media; also partly government	yes; through SFC and regulators, partial program through government;	yes; government has funds, but highly unutilized	Business sponsored. Most of them are banks who sponsor public financial literacy programs.	Government sponsored, business sponsored, non-profit consumer organization sponsored.

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	Australia	Austria	Brazil	Canada	China	Chinese Taipei	France	Germany	Hong Kong	India	Indonesia	Ireland
14. Please tell us about any pending legislation to change regulation of financial services in your territory.	Credit regulation and margin lending. Three major inquiries/reviews are underway looking into financial services and financial advice.		No Response	As mentioned, the federal government is setting up a national securities commission. Due to the constitutional framework, provinces can choose if they want to opt in. Our SRO for securities (IIROC) introduced a draft rule which would force the dealer/brokers to oversee the financial planning activity. Industry (including FPSC) pushed back on this initiative and it currently is not proceeding. An industry task force (including FPSC) has been struck to look at the regulation of financial planning in Canada with the goal of a regulatory solution.	No Response	None					No Response	It is proposed to change the structure used to regulate financial services in Ireland, following the significant property related losses sustained by banks.
15. Has your organization developed any "model" legislation for financial planning that you'd like to share?	Yes. We will send the FPA's submission to a Parliamentary Inquiry shortly.		No	No, however, we have developed a draft white paper which is being discussed as part of the task force of financial planning.	No	No					No	No

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	Japan	Malaysia	Netherlands	New Zealand	Rep. of Korea	Singapore	South Africa	Switzerland	Thailand	United Kingdom	USA
1. Is the term "financial planning" regulated in your territory?	No	yes	No	Yes. Financial planning service means a service that analyses an individual's current financial situation, identifies his or her financial goals, and develops financial options for realizing those goals.	No	no; insurance and investment industries regulated	yes	no	No	No	No
2. Is the term "financial planner" regulated in your territory?	No		No	No, but we hope to get the regulator to restrict use of the title through "authorization" of financial planner as a "class" of "authorized financial advisor."	No				No	No	No
3. In your territory (check all that apply): a.) Financial planners are regulated as "financial planners." b.) Financial planners are regulated as "financial advisors." c.) Financial planners are regulated according to the products they sell or advise on. d.) Financial advisors or planners are not regulated.	B and C	yes; with additional industry-specific regulation	B	B and C. Note: All responses to this survey are based on legislation that has passed, but will not take effect until 2010. This will regulate "financial advisors" including financial planners. Those providing a "financial planning service" or giving "financial advice" on "securities" will need to be "authorized" by the Securities Commission.	D	no	yes; investment, foreign exchange markets, securities market and health brokers	no; only regulated when financial planner acts simultaneously as investment advisor and "receives and holds funds of clients"	C	B and C	B, C and D. Financial planners are regulated as "financial advisors" in California and Maryland, but only if a state-registered investment advisor representative. Financial planners are regulated as either broker-dealers when selling securities, investment advisers (at the state or federal level depending on assets under management) in providing investment advice, and insurance brokers if selling insurance. Financial planners are not regulated as a profession.
4. How many regulators are there in your territory for financial services? (If more than one, please list the regulators and the services they oversee.)	One	Two : Central Bank and the Securities Commission	One	Three. Reserve Bank -- banks, non-bank deposit takers, life insurance companies. Securities Commission -- securities and financial advisors. Ministry of Economic Development -- registration of financial service providers and approved dispute resolution schemes for financial service providers.	None	one	one	currently one; soon to change	Four: The Securities and Exchange Commission, The Bank of Thailand, The Stock Exchange of Thailand, The Office of Insurance Commission	One	More than five. SE regulates broker-dealers selling securities and investment advisers providing investment advice. FINRA regulates broker-dealers selling securities. State securities administrators (50 of them) oversee broker-dealers and investment advisers. State insurance administrators (50 of them) oversee insurance brokers.

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5. Does your territory have uniform regulation covering financial services?	Yes. "Financial Instruments and Exchange Law" has been enforced since 2007.	yes	Yes	Yes	No	yes	yes	banking industry is self-regulated, based on federal legislation	No	Yes	No
6. Who is licensed: the company, the advisor or both?	The company and the advisor.	both	The company and the advisor.	The company and the advisor. All "financial service providers" will need to be "registered." Advisors providing a financial planning service or advice on securities will need to be "authorized" and meet minimum competency standards and follow a code of conduct.	No Response	both	both	both can be	The company and the advisor.	The company and the advisor. The company is regulated but individuals have permissions to transact certain classes of business.	The company and the advisor.
7. Does your territory's legislation recognize CFP certification?	No	yes	No	No, but we hope that those with CFP certification will automatically be "authorized" without further assessment.	No	no	no	no; however SFPO is addressing issue with bank regulators	No	No	No
8. Are commissions for advice banned in your territory?	No	no	No. As long as the consumer knows what the advisor will earn, it's free. Transparency is a must in our country. As soon as the consumer agrees with the commission an advisor will receive, the regulator is satisfied.	No. The topic is controversial and there will be a prohibition on use of the term "independent" if commission is received.	No	no	no	no; very common	No, but most advisors do not charge clients. They depend more on selling financial products and receiving the selling fees from providers of the products.	No, but this is currently being consulted about with the intention that they disappear.	No
9. Generally, does the marketplace in your territory favor "fee for service"?	Yes	no	Yes. Now the answer as mentioned above is regulated since July 1, 2009, fee for service is upcoming.	No. Fee for service is used for higher net worth advice, but there are varied approaches. Commission is favored for modest investment sums. A fee for preparing a plan plus commission is common. Some charge a percent of assets under advice, but this is normally for medium to high net worth clients.	No	yes	currently no; but under discussion with Treasury	not yet, but changing market	No, because most advisors only sell their own products. The open platform is still very limited.	No, but regulation will alter this.	No

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10. Does your territory regulate the "quality" of advice?	Yes	no	Yes	No. Emphasis will be on competency plus disclosure.	No	no	yes	no	No. They only tackle on the "BAD" treatment or misleading advice. They regulate only the procedures and "dos" or "don'ts"	No. It regulates the suitability of the product that is being sold.	No. Advice provided by state-registered investment advisor representatives is regulated under the National Securities Markets Improvement Act of 1996. Advice provided by SEC-registered investment advisors is regulated under the Investment Advisors Act of 1940.
11. What, if anything, must financial planners disclose under your territory's regulatory structure?	Financial planners have no regulatory obligation to disclose information.	recommended: commission structure, ties to firms and products	Financial planners have a regulatory obligation to disclose the following: Always they have the duty to reproduce each advice and have to let the consumer know what earnings the planner will receive as commission.	Financial planners have a regulatory obligation to disclose: contact information, experience, qualifications, membership of professional bodies, whether they hold professional indemnity insurance, dispute resolution process, whether they have certain criminal convictions, fees, other interests and relationships (potential conflicts), areas of advice.	Financial planners have no regulatory obligation to disclose information.	fees and commissions on investments; distribution cost on life insurance products	fees, commission, education, relationship I.E. Tied agent, broker and FSP number	nothing to clients	Financial planners have a regulatory obligation to disclose: right of the clients -- whether they represent more than one organization and the name(s) of the organization that they are with.	Financial planners have a regulatory obligation to disclose: status, cost of advice. Full disclosure, essentially.	Financial planners have a regulatory obligation to disclose: to the extent a "financial planner" is an SEC-registered investment advisor representative, he is subject to a legal obligation to disclose and manage conflicts of interest subject to a fiduciary standard of care. A "financial planner" registered as a broker-dealer is subject to rules imposed by the SEC and FINRA.
12. Is regulatory disclosure mandatory for financial planners in your territory?	N/A	no; recommended as a practice standard by FPAM	Yes. Each advisor/company has licenses authorized by the regulator. No license, no advice -- just a penalty.	Yes	N/A	yes; paper form	yes in most cases and in paper form	n/a	N/A	Yes	No
13. Please list the types of organizations that sponsor public financial literacy programs in your territory.	Government sponsored, media sponsored, business sponsored, non-profit consumer organization-sponsored.	yes; at all levels by government, consumer bodies and the Association	Non-profit consumer organization-sponsored	government sponsored, business sponsored, non-profit consumer organization-sponsored	Government sponsored, non-profit consumer organization-sponsored.	yes; government and consumer	yes; regulator education and industry body SAIA	yes; discussed, but consumers have most faith in federal legislation	Business sponsored, non-profit-consumer organization-sponsored.	Government sponsored, business sponsored	Government sponsored, business sponsored, non-profit consumer organization-sponsored.

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14. Please tell us about any pending legislation to change regulation of financial services in your territory.	N/A		The law changed on 1 July 2009. See previous answers.	Legislation has been passed, detailed regulations and codes under development.	No Response				More level playing field on taxation on investment. Provide tax benefit to promote saving and investing for retirement and annuity products.	The retail distribution review which is being consulted upon at the moment with the proposed changes needed to be implemented by 31 Dec. 2012.	There is currently a bill (H.R. 3126) that would create the Consumer Financial Protection Agency (CFPA). The CFPA's mandate is "to promote transparency, simplicity, fairness, accountability, and access in the market for consumer financial products or services." The CFPA may exercise its authorities to ensure that information provided to consumers can be used to make responsible decision; "consumers are protected from abuse, unfairness, deception, and discrimination"; markets operate fairly and efficiently while allowing for sustainable growth and innovation; and financial services are accessible to underserved consumers and communities.
15. Has your organization developed any "model" legislation for financial planning that you'd like to share?	No		Yes. We have the obligation to use a service document and a services guide to the consumers in which the consumer can read what can be expected of the advisor; how will he/she be paid for the advice, etc. Also out of the documents the advisor knows what he/she can expect from the consumer.	Yes. Legislation readily available at <a href="http://www.legislation.govt.nz/">http://www.legislation.govt.nz/</a> Financial Advisers Act 2008 Securities Markets Act 1988 - Part IV and Securities Markets (Investment Advisers and Brokers) Regulations 2007 - for disclosure there are also numerous discussion documents (for consultation) on how the new regulation will be implemented in detail.	No				No	No. We have, however, worked on the requirements for a financial planning firm.	No. <a href="http://www.cfp.net/downloads/Coalition_Case_Statement_2009-04.pdf">http://www.cfp.net/downloads/Coalition_Case_Statement_2009-04.pdf</a>