

**INVESTMENT ADVISER
ASSOCIATION**

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**IAA STATEMENT RE: SEN. DODD'S DISCUSSION DRAFT
RELATING TO FINANCIAL SERVICES REGULATORY REFORM**

Washington, DC. – November 10, 2009 - David Tittsworth, Executive Director of the Investment Adviser Association, today issued the following statement in response to the release of Senate Banking Committee Chairman Chris Dodd's discussion draft relating to financial services regulatory reform:

“We applaud Senator Dodd on his draft legislation to reform financial services regulation. The draft legislation's treatment of issues that would directly affect investment advisers represents a very thoughtful and knowledgeable approach. For example, the draft legislation includes provisions that would extend the Investment Advisers Act fiduciary duty to brokers who provide investment advice. The draft legislation also would enable the SEC to achieve more stable and long-term financing by providing a self-funding mechanism. It further bolsters SEC resources by raising the assets under management threshold for registration with the Commission from \$25 million to \$100 million. We strongly support these measures. Finally, we commend Chairman Dodd for not including any provisions in the draft legislation that would extend FINRA's authority to investment advisers. The IAA will continue to oppose FINRA's lobbying efforts to extend its inspection and regulatory authority to the investment advisory profession. We look forward to working with Chairman Dodd and his Committee in the coming weeks to ensure that these aspects are included in any final legislation.”

About the Investment Adviser Association

The Investment Adviser Association is a not-for-profit organization that represents the investment advisory profession. Founded in 1937, its membership consists of more than 450 SEC-registered investment adviser firms that collectively manage in excess of \$8 trillion for a wide variety of individual and institutional investors. For more information, please visit www.investmentadviser.org.

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