

FOR IMMEDIATE RELEASE

Carlos Panksep
T: 416-401-8702
E: cpanksep@cefex.org

**INVESTORS TO BE ASSURED OF ADVISOR COMPLIANCE WITH NEW
DEPARTMENT OF LABOR REGULATIONS**

PITTSBURGH, November 8, 2010 – In response to continuing concerns from institutional and individual investors for increased transparency and accountability in the investment industry, CEFEX, Centre for Fiduciary Excellence, LLC, is announcing an important enhancement to its Investment Advisor certification program. The release of the interim final regulation under the Employee Retirement & Income Security Act (ERISA) Section 408(b)(2) has prompted the enhancement to CEFEX's independent assessment methodology, thereby assuring investors that in addition to being excellent fiduciary organizations, CEFEX-certified firms demonstrate compliance with the new regulation.

The new regulation amends a prohibited transaction rule under ERISA and the Internal Revenue Code which states that it is a prohibited transaction for a retirement plan to enter into an arrangement with a service provider, unless the arrangement is reasonable and the service provider's compensation is reasonable. The new regulation adds disclosure requirements for determining whether an arrangement is reasonable.

The CEFEX assessment has been revised to meet and in some cases exceed the legal requirements which become effective July 16, 2011. The detailed analysis by the firm **Reish & Reicher** of Los Angeles, CA, follows one done in 2008 when the regulation was proposed, and has resulted in the revision of the CEFEX assessment methodology regarding an Investment Advisor's service agreement, compensation, disclosure, fiduciary status and conflicts of interest. Firms certified by CEFEX in the United States will continue to receive a legal opinion letter issued by Reish & Reicher stating in substance, that the firm has demonstrated that it has practices and procedures in place that equal or exceed the investment fiduciary requirements of ERISA.

A separate legal review of the CEFEX assessment methodology was conducted by Kevin A. Wiggins of **Thorp Reed & Armstrong** of Pittsburgh, PA. Mr. Wiggins has added a more detailed inquiry regarding ERISA Section 3(38). If an Investment Advisor or his/her client has elected to seek certain fiduciary relief by relying on investment decisions made by an ERISA Section 3(38) investment manager, the CEFEX assessment ensures that the Advisor or Client is following a comprehensive list of suggested and required procedures.

A CEFEX Fiduciary Certification is an independent recognition of an advisor's conformity to a global standard of excellence described in the handbook "Prudent Practices for Investment Advisors," published by **fi360** of Pittsburgh, PA. It signifies that a fiduciary has demonstrated adherence to the industry's best practices, and is positioned to earn the public's trust.

CEFEX certifications are based on an annual assessment of operational data and procedures, on-site interviews and a formal review by the independent CEFEX Registration Committee. “The ERISA 408(b)(2) regulation imposes important requirements upon Investment Advisors and the CEFEX certification process provides an excellent basis for concluding that an advisor meets or exceeds the fiduciary requirements of ERISA,” stated Fred Reish, managing partner, Reish & Reicher. “We think the regulation is also a best practice for Investment Advisors who do not serve ERISA plans.”

CEFEX certification assessments are performed by professionals who have received the Accredited Investment Fiduciary Analyst (AIFA) designation from fi360. These individuals which number over 350 in the US, are supported by a network of experts, analytical tools, continuing education, legal review, research and practical experience. “The enhancement to the methodology is another step in the deployment of the industry’s most robust assessment system,” said Blaine F. Aikin, CEO of fi360.

About CEFEX:

The Centre for Fiduciary Excellence, LLC. is an independent certification organization. CEFEX works closely with industry experts to provide comprehensive assessment programs to improve the fiduciary practices of investment stewards, advisors, fiduciary advisers, service providers and managers. CEFEX also has a certification program for retirement Plan service providers in conjunction with the American Society of Pension Professionals & Actuaries (ASPPA). CEFEX has offices in Toronto, Canada, and Pittsburgh, PA. For more information, visit www.cefex.org.

About Reish &Reicher:

Reish & Reicher, A Professional Corporation, is a full-service law firm offering clients a unique blend of specialized knowledge and personalized service. For some clients, the firm serves as legal advisors for specialized work, such as employee benefits, employment relations, tax and estate planning. Other clients prefer to take advantage of the firm’s wealth of diverse experience, and engage it as general counsel. R&R’s attorneys specialize in Employee Benefits; ESOP; Corporate; Real Estate; Employment Law; Tax, Estate Planning and Probate; ERISA Litigation; and Business Litigation. For more information, visit www.reish.com.

About Thorp, Reed & Armstrong:

Thorp Reed & Armstrong, LLP is a premier regional law firm with offices located in Pittsburgh; Philadelphia; Princeton, New Jersey; and Wheeling, West Virginia. Approximately 125 lawyers support a wide variety of clients’ needs. Kevin A. Wiggins is a member of Thorp Reed & Armstrong’s Employee Benefits and Executive Compensation Practice Group, which provides clients with practical solutions to employee benefit and executive compensation issues. Thorp Reed’s Investment Management Group provides counsel to a broad range of investment advisers, financial planners, broker-dealers, and public and private investment funds. Mr. Wiggins also serves on the ERISA Advisory Council, representing the General Public.

About Fi360:

Fi360 promotes a culture of fiduciary responsibility and improves the decision making processes of investment fiduciaries—individuals who manage money for others—through [Training](#), [Tools](#) and [Resources](#) based on the defined [Practices](#) for investment fiduciaries. Fi360 provides

investment education and training programs and awards the Accredited Investment Fiduciary® (AIF®) and Accredited Investment Fiduciary Analyst™ (AIFA®) [professional designations](#). It develops sophisticated Web-based toolkits and reporting, including the innovative Fiduciary Score™ and the Fund Family Fiduciary Rankings™ for trustees and investment professionals and provides information for the collective knowledge and ongoing support for the investment community through resources such as a blog, an articles database and its national conference. For more information, visit www.fi360.com.