The Securities and Exchange Commission (SEC) will vote Wednesday on its “Best Interest” regulation for financial advisors. The proposed rule significantly strengthens protections for investors by requiring advisors to disclose and mitigate conflicts of interest. While the proposed rule is less stringent than the Obama Administration’s fiduciary rule — which could have decimated the investment-advice industry, limiting the ability of Americans to receive financial advice — it is an improvement on the status quo.

AAF’s Director of Financial Services Thomas Wade analyzed this rule last year, and he explained it in this video.

About the rule, he says:

*The Best Interest regulation is not a win for industry. It is a win for everyone. Brokers would be held to a higher standard of obligation, protecting American investors in a way tailored to their desired risk appetites. This would be achieved without undue regulatory burden on industry, preventing the kind of system shock that would drive financial advisors out of business, decreasing the availability of financial advice to Americans.*

Read the analysis here.

Watch the video here.

To interview Thomas Wade, contact AAF Press Secretary Andrew Evans at [email protected] or 202-370-3446.