**FINRA SURVEY OF BROKER-DEALERS REGARDING**

**“SENIOR DESIGNATIONS”**

**Senior Designations**

Today in the United States, nearly 40 million people are age 65 and older. This number is expected to more than double to 89 million by 2050. In light of these demographics and other considerations, FINRA continues to view the protection of senior investors as a top priority. An important aspect of protecting senior investors focuses on the use of senior-specific certifications and professional designations that may be used to imply expertise, certification, training or specialty in advising senior investors.

**2011 Senior Designation Survey Results**

In January 2011, FINRA conducted a firm survey of retail broker-dealer firms that varied in terms of size, location, product mix and business model to obtain information regarding the use and oversight of senior designations. This survey is part of FINRA's ongoing efforts to focus on firms' fair dealings with senior investors. FINRA previously issued [Regulatory Notice 07-43](http://www.finra.org/Industry/Regulation/Notices/2007/P036815), which highlighted certain issues that are common to senior investors and reminded firms of their obligations in this area. Additionally, in the [2011 Annual Regulatory and Examination Priorities Letter](http://www.finra.org/Industry/Regulation/Guidance/P122861), FINRA reiterated that the protection of vulnerable customers, including senior investors, continues to be a high regulatory priority. [Regulatory Notice 11-52](http://www.finra.org/Industry/Regulation/Notices/2011/P125093) includes further information regarding the 2011 survey.

We received survey responses from 157 firms. The survey results show that for those firms responding, 68 percent of firms allow the use of senior designations by registered persons. Of the firms that permit the use of senior designations:

* 89 percent currently have registered persons who use senior designations; and
* 11 percent do not have any registered persons using senior designations at this time.

Firms that allow the use of senior designations were also asked if they required registered persons to obtain senior or other professional designations prior to marketing certain products to senior investors. Only two firms responded affirmatively to this question.

Below are aggregate survey results of those firms that have registered persons who use senior designations:

|  |  |  |
| --- | --- | --- |
|  | **Response** | |
| **Question** | **Yes** | **No** |
| Does your firm require registered persons to obtain approval prior to using senior designations? | 89% | 11% |
| Does your firm have standards for determining which senior designations can be used by registered persons? | 97% | 3% |
| If yes, please describe the standards used by your firm. | [Regulatory Notice 11-52](http://www.finra.org/Industry/Regulation/Notices/2011/P125093) includes information regarding certain responses to this question. | |
| Does your firm verify that registered persons using senior designations have the required credentials to do so? | 77% | 23% |
| Has your firm reviewed the requirements for obtaining and retaining senior designations that are used by registered persons? | 98% | 2% |
| Does your firm require that registered persons have senior or other professional designations prior to marketing certain products to seniors? | 3% | 97% |
| Does your firm prohibit the use of certain designations? | 73% | 27% |
| Explain how your firm monitors for the appropriate use of senior designations in communications (verbal and written) with customers. | [Regulatory Notice 11-52](http://www.finra.org/Industry/Regulation/Notices/2011/P125093) includes information regarding certain responses to this question. | |

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| **How many registered persons use one or more senior designations?** | |
| **Range** | **Percentage of Respondents** |
| **1 to 5** | 21% |
| **6 to 20** | 31% |
| **21 to 50** | 20% |
| **51 to 100** | 13% |
| **101 to 250** | 5% |
| **250+** | 10% |

|  |  |  |
| --- | --- | --- |
| **Senior Designations Currently in Use and/or Prohibited by Firms** | | |
| **Designation/Accreditation** | **In Use** | **Prohibited** |
| Accredited Pension Administrator (APA) | 3% | 26% |
| Accredited Retirement Plan Consultant (ARPC) | 2% | 24% |
| Certified Elder Planning Specialist (CEPS) | 2% | 32% |
| Certified Employee Benefit Specialist (CEBS) | 38% | 15% |
| Certified Pension Consultant (CPC) | 12% | 19% |
| Certified Retirement Administrator (CRA) | 5% | 27% |
| Certified Retirement Consultant | 2% | 24% |
| Certified Retirement Counselor (CRC) | 35% | 20% |
| Certified Retirement Financial Advisor (CRFA) | 13% | 33% |
| Certified Retirement Plan Specialist (CRPS) | 24% | 21% |
| Certified Retirement Services Professional (CRSP) | 2% | 24% |
| Certified Senior Advisor (CSA) | 36% | 52% |
| Certified Senior Consultant (CSC) | 2% | 35% |
| Certified Senior Financial Planner (CSFP) | 2% | 34% |
| Chartered Advisor for Senior Living (CASL) | 50% | 16% |
| Chartered Retirement Plan Specialist (CRPS) | 37% | 13% |
| Chartered Retirement Planning Counselor (CRPC) | 67% | 10% |
| Chartered Senior Financial Planner (CSFP) | 4% | 33% |
| Chief Retirement Officer | 0% | 31% |
| Director of Retirement Plans | 0% | 30% |
| Director, Retirement Plans | 0% | 30% |
| Elder Care Specialist | 0% | 32% |
| Master Certified Retirement Specialist (MCRS) | 2% | 28% |
| Personal Retirement Planning Specialist | 0% | 28% |
| Plan Sponsor Retirement Professional | 2% | 30% |
| Qualified Pension Administrator (QPA) | 11% | 20% |
| Qualified Plans Financial Consultant (QPFC) | 13% | 18% |
| Registered Employee Benefits Consultant (REBC) | 32% | 14% |
| Retirement and Estate Planning Consultant | 2% | 26% |
| Retirement Advisor | 1% | 24% |
| Retirement & Investment Consultant | 0% | 26% |
| Retirement Income Specialist (RIS) | 7% | 27% |
| Retirement or Registered Financial Consultant (RFC) | 52% | 15% |
| Retirement Plan Consultant (RPC) | 2% | 28% |
| Retirement Planning Specialist | 1% | 29% |
| Retirement Plans Associate (RPA) | 7% | 23% |
| Retirement Specialist | 0% | 31% |
| Senior Advisor | 0% | 31% |
| Senior Benefits Consultant | 0% | 31% |
| Senior Financial Advisor | 2% | 31% |
| Senior Financial Planner (SFP) | 4% | 31% |
| Senior Investment Executive | 2% | 31% |
| Senior Markets Manager | 0% | 31% |
| Senior Pension Consultant | 0% | 30% |
| Other | Firms identified other senior designations that were in use or prohibited. | |

**Disclaimer**

**FINRA does NOT approve or endorse any professional designation.** Nor does a designation's inclusion in the 2011 survey or any information provided above imply that FINRA considers the designation to be acceptable for use by a registered representative. Furthermore, state securities regulators may prohibit or restrict the use of certain listed designations by registered persons and investment adviser representatives.

**Senior Resources**

* [Financial Industry Regulatory Authority: Investor Education for Seniors](javascript:newWindow('http://www.saveandinvest.org/55Plus/');)
* [Financial Industry Regulatory Authority: Understanding Professional Designations](http://apps.finra.org/DataDirectory/1/prodesignations.aspx)
* [Financial Industry Regulatory Authority: Senior Designation State Laws](http://www.finra.org/Investors/ProtectYourself/BeforeYouInvest/p120759)
* [Financial Industry Regulatory Authority: BrokerCheck](http://www.finra.org/Investors/ToolsCalculators/BrokerCheck/)
* [Federal Bureau of Investigation: Fraud Target – Senior Citizens](javascript:outsidelink('http://www.fbi.gov/scams-safety/fraud/seniors');)
* [Securities Exchange Commission: Seniors](javascript:outsideLink('http://www.sec.gov/investor/seniors.shtml');)
* [Securities Exchange Commission: "Senior" Specialists and Advisors: What You Should Know About Professional Designations](javascript:outsideLink('http://www.sec.gov/investor/pubs/senior-profdes.htm');)
* [North American Securities Administrators Association: Senior Investor Resource Center](javascript:outsideLink('http://www.nasaa.org/1723/senior-investor-resource-center/');)
* [North American Securities Administrators Association: Senior Certification Designation Information Center](javascript:outsideLink('http://www.nasaa.org/members-only/information-centers/senior-certificationdesignation-information-center/');)
* [North American Securities Administrators Association: Misleading Senior Designations](javascript:outsideLink('http://www.nasaa.org/1999/misleading-senior-designations/');)

**Papers, Studies and Research Material**

* [North American Securities Administrators Association: Protecting Senior Citizens Against Investment Fraud](javascript:outsideLink('http://www.nasaa.org/862/protecting-senior-citizens-against-investment-fraud/');) March 2006

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