



THE FINANCIAL PLANNING ASSOCIATION

Philadelphia Tri-State Area

www.fpaphilly.org

A Gold Level Chapter

September 2006

The primary aim of the Financial Planning Association is to be the community that fosters the value of financial planning and advances the financial planning profession.

FPA Philadelphia Tri-State Area was recognized at the 2006 FPA Leadership Conference for attaining the GOLD level of achievement in FPA's Chapter Recognition Program.



From Left: Shaun Eddy, Steve Wetzel, Chris Stewart, Bill Suplee, and Dan Moisand accepting FPA-PTSA's Gold Level Chapter Recognition Award

The chapter was honored for its accomplishments and efforts in chapter operations, chapter leadership, community outreach, member outreach, membership development and special achievements.

"It's an honor to be recognized for our achievements," said John O'Brien, President of FPA-PTSA. "We've worked diligently over the past year to increase our success and are proud that our efforts have been recognized on a national level."

Shaun Eddy, CFP®, chair of FPA's Chapter Leadership Resource Council, and Dan Moisand, CFP®, FPA President, presented the award. Steve Wetzel, President-Elect, Bill Suplee, Board Member, and Chris Stewart, Chapter Administrator accepted the award on behalf of FPA-PTSA.

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Mark Your Calendars

October 2-9, 2006
Financial Planning Awareness Week

November 14, 2006
Quarterly Dinner Meeting
Sheraton Park Ridge Hotel
King of Prussia, PA

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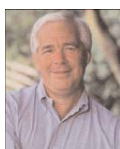


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President's Report
John O'Brien, CFP®, CIMA



“Everyone is needed, but no one is necessary.”
- Anonymous NFL Football Coach

My Dear Members,

You must congratulate yourselves on being involved with a successful FPA Chapter; as we were awarded the Gold Level Chapter Award for 2006.

I've got to compare our group of board members' accomplishments to the Philadelphia Eagles' recent strong playoff run. And, as President of the Chapter, I would like to take credit for this year; but you and I know that dynasties or great teams are built over time by many. Henceforth, the love needs to be shared and passed around...



Joe Romano knows how to run Sponsorships

For example, would our own **Joe Romano** be compared to Jim Johnson the Philadelphia Eagle's defensive coach? I mean, if you don't have a strong defense in the NFL or in our case, have strong relationships with sponsors to support our FPA meetings, then you can't as they say: "win any games". Let's not forget that the franchise must score points to win. That's what the members want to see; terrific meetings. We are blessed to have one of the game's elite offensive players, **Jeffrey Lauterbach**. Jeffery is about as shy about taking credit as Brian Westbrook, but he does a terrific job running our education area. Over the past year or so, our new student



Jeff Lauterbach runs Education like an all-pro



John Hochschwender energizes our student member programs

programs finally got lift-off when John Hochschwender got involved; kind of like the Eagles passing game with Dante Stallworth.

In the spring, over 300 (yes, that's a record!) of you attended the spring symposium at Villanova. **Paul LaViola** and **Burt Hutchinson** worked on the meeting, kind of like the Eagles O-Line, it was a dominating performance.



Paul LaViola and Burt Hutchinson dominated the Spring Symposium

Recently, the fall retreat was organized by **Ty Agar** in the same way #54 Jeremiah Trotter completes stuffing a run play or making 10 tackles in a game. Workmanlike is what I call it-like **Liz Donaghy**- who had ran down many of our quarterly meetings; you could call her a shutdown cornerback like Lito Sheppard.



Ty Agar had monster success in the middle of the Fall Retreat



Liz Donaghy is a shutdown meeting planner

There are other areas of the chapter where stuff is getting done to help win ball games. **Pam Townsend** is responsible for handling of public relations for us, roaming the secondary like Brian Dawkins to intercept media passes. Study group leader is like our special teams, with **Joe Halpin** thankfully dedicating himself in a way that true fans and David Akers can appreciate. **Gene King** has done a terrific job with pro-bono, and like big Jon Runyan, you can't miss him. We really like the way **Mark Rioboli** has stepped up and taken over membership, much like LJ Smith working the middle of the field.



Pam Townsend has been a "media hawk" for the FPA



Joe Halpin runs Study Groups consistently well every year for us



Gene King gives time to others and anchors many Pro Bono efforts



Mark Rioboli really has stepped it up this year to run Membership

I would be remiss to not mention a man that the team relies on. **Scott Michalek** is to be congratulated on receiving the nomination as president-elect for 2008. Over the past two years, as Treasurer, Scott managed a complete financial turnaround for us with a \$30,000 gain in reserves— kind of like, Jevon "Freak" Kearsse stats, if you know what I mean.



Scott Michalek, wowed us with "freak" financial results



In the coming season for FPA Philly fans, it will be all about #5, President Steve Wetzel.

Our 2007 president, **Stephen Wetzel**, is going to be your Donovan McNabb. An all-around terrific guy and a great CFP®, he is totally committed to our chapter's success. I think you are going to like what you see. Please don't let me forget to thank **Johanna Walters** for producing our newsletter and flyers, our own very special Mike Bartrum. Last but not least, our administrator **Chris Stewart**, is really our chapter's Andy Reid, consistently working behind the scenes to execute our chapter's plan on game day. We could not do as many great things without you, Chris!



Our administrator, Chris Stewart, is our head coach

This year, we had our strongest recruiting class ever, as you recently elected seven (7) new board members. Help me welcome our outstanding 2007 draft: **Christopher Coyne, Dave Emery, David Hoyer, Paula Nangle, Don Nicholson Jr., Cathy Seeber, and Bill Suplee.**

Your Philadelphia Chapter FPA Board is a group who really got out there this year and worked hard for you. As a coach in the NFL once said, "Everyone is needed, but no one is necessary." Volunteering can be lonely, but the glory and kudos go to the group above who put the muscle into earning our chapter yet another Gold Level Chapter Award; the 5th in the last 6 years. It could be a dynasty we are realizing here in the making- and I look forward to being part of it next year.

Thank you for reading this report. I welcome your ideas; please contact me at: johno@taxlegalfinancial.com or (610) 251-9393.



2007 Election Results Are In!!!!

We are pleased to announce the election of the following officers and directors to the FPA Philadelphia Tri-State 2007 Board of Directors:

Officers

Chairman - John O'Brien
President - Stephen Wetzel
President-Elect - Scott Michalek
VP-Development - Joseph Romano
VP-Education - Jeffrey Lauterbach
VP-Membership - Mark Rioboli
VP-Public Awareness - Joseph Halpin
VP-Bro Bono - Eugene King
Secretary - Steven Geiger
Treasurer - John Hochschwender

Board of Directors (At-Large)

Newly elected:	Returning board members are:
Christopher Coyne	
David Emery	
David Hoyer	Ty Agar
Paula Nangle	Burt Hutchinson
Donald Nicholson, Jr.	Paul LaViola
Catherine Seeber	
William Suplee	
Pamela Townsend	

LIFE SETTLEMENT

**A Far Better Option
For Your Client
Than Surrendering
His/Her Unwanted
Or Underperforming
Life Insurance Policy**



- Cash settlements average 3X the actual cash surrender value.
- Term policies also qualify.
- Let us pursue multiple offers through our close ties with 8 institutional funders, thus ensuring a true fair market value offer for your client.

**Call for a Free Evaluation:
610-449-0402**

*Stan Silverman
Licensed Settlement Broker*

*Advanced Funding Corp.
Havertown, PA*

State Farm Chair for Women and Financial Services

The State Farm Chair for Women and Financial Services will be involved in the development and dissemination of research in the area of women and financial services. She/he will interact with financial advisors and insurance agents through networking and participation at conferences and workshops to create case studies and research that helps professional, adult students serve clients in an ethical, progressive framework. She/he will also work with the other faculty at The American College to integrate this research into existing and new coursework, as well as to take the lead in developing and delivering this information in workshops and programs to both industry and academic audiences.

We seek a scholar with a terminal degree in a pertinent area such as marketing, finance, or economics, or with a J.D., credible teaching experience, and a publication record that is complimentary to the objectives of this new position. If interested, email a letter of interest and a resume to tom.biehl@theamericancollege.edu. For any questions or additional information, contact Dr. Walt Woerheide, CFP®, at 610-526-1398 or at walt.woerheide@theamericancollege.edu.

Founded in 1927, The American College is the largest distance-learning institution devoted to financial services in the world. It is the largest educator of professionals sitting for the CFP® Certification Exam. We offer two master's degrees, premium designations such as the CLU™, ChFC™ and the Chartered Advisor in Philanthropy CAP™. We are accredited by The Middle States Commission on Higher Education and we are an equal opportunity employer.

IMPORTANT CE CREDIT INFO!



Since January, 2005, we are required to report all CE credits electronically to the CFP Board of Standards. We are having difficulty with this process because **members are not providing the necessary information.**

For CFP CE Credits. We must have the last four digits of your Social Security Number.

There has also been a change in the reporting process of CE credits for the PA Department of Insurance. Social Security Numbers are no longer accepted for reporting. Please provide your **PA Insurance License Number** when applying for credit.

It is quite time-consuming for our administrator to follow-up with attendees to obtain the correct information. Help us help you by being prepared and having this information when you are applying for CE credits.

Prepare to join the growing financial services field as a financial planner

- Grow in your current position or plan for a career change
- Gain satisfaction from assisting individuals in meeting life goals
- Complete this program in 12 months

The program is registered by CFP® Board and fulfills the education requirement for certification as a CERTIFIED FINANCIAL PLANNER, the most recognized designation for financial planners.

The University of Delaware does not certify individuals to use the CFP® and CERTIFIED FINANCIAL PLANNER™ marks. CFP certification is granted solely by Certified Financial Planner Board of Standards Inc. to individuals who, in addition to completing an educational requirement such as this CFP Board-Registered Program, have met ethics, experience and examination requirements.

New Program!

CERTIFICATE IN FINANCIAL PLANNING



Lerner College of Business and Economics
and Professional and Continuing Studies

302/831-2746 • continuing-ed@udel.edu
www.continuingstudies.udel.edu/fp/

VOLUNTEERS WANTED FOR FPA-PTSA PUBLIC AWARENESS COMMITTEE

***NO ONE CAN TELL OUR STORY BETTER THAN WE CAN.
IF WE DON'T - WHO WILL?***

- ◆ Promote and publicize the FPA-PTSA as the premier financial planning professional organization.
- ◆ Give workshops and seminars to inform the public about the importance of financial planning.
- ◆ Present story pitches for local and national print media.
- ◆ Represent the FPA-PSTA on local and national TV.
- ◆ Work with the Pro Bono Committee to publicize the outreach program.
- ◆ Opportunity to brand yourself as an expert in financial planning.

MUST BE CFP® CREDENTIALLED AND SUBMIT A MEDIA AGREEMENT.

_____ Yes, I am interested in joining the PR Committee

Name: _____ Phone: _____

Fax: _____

**To obtain the agreement please fax this form to 215-295-3652
or e-mail to ccstewart@comcast.net**

Thank you for your interest.

**Pamela Townsend, CFP®
Telephone: 215-869-5247
Email: pcht@comcast.net**

Human Resources



I am delighted and about our incredible benefits and honored to have been resources.

selected to the post of Vice President of Did You Know that you can find other Human Resources for chapter member's contact information the chapter. I want to (like the committee members) on the FPA thank Dale Pope for Tri-State Website www.fpaphilly.org? leading the Human Log in and click on Members. At the bot- Resource effort since tom of the screen, you will find a box

January 2005. Dale has generously agreed to remain on the HR committee which includes Brian D. Applestein, CFP®, Ryan Burke, CFP®, Steven B. Geiger, David L. Hoyer, CFP®, Louis E. Mann CFP®, CSA, Pedro Rivera, J.D., Stephen G. Smith, J.D., RFC, and Martina Wilson-Farmer, CFP®. Please contact all of us with your questions and ideas to get the most from your membership with the chapter. Don't know how to find their contact information? We'll get to that in a minute.

Our committee has two goals. First, we want to ensure that you are getting everything you possibly can from your membership. Second, we want to share our tremendous resources and benefits with more members than ever before. In this and future newsletters, we will have a Did you Know? section to help you learn

Find a Member. You can search by name, city, state, zip and chapter affiliation. Need to speak with a chapter officer or director? Go to www.fpaphilly.org and click on members then Board of Directors.

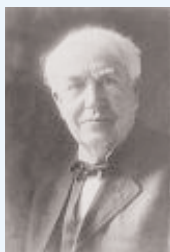
Mark Rioboli, CFP®
Vice President, Wealth Manager
Independence Advisors
620 Lee Road, Suite 100
Wayne, PA 19087
484-321-5406
610-672-9676 fax
mrioboli@independenceadvisors.com

"Always dream and shoot higher than you know you can do. Don't bother just to be better than your contemporaries or predecessors. Try to be better than yourself."

William Faulkner (1897-1962)
 American novelist and short-story writer
 won Nobel Prize for Literature in 1949

"Always bear in mind that your own resolution to succeed is more important than any other one thing."

Abraham Lincoln (1809-1865)
 16th President of the United States



"Opportunity is missed by most people, because it is dressed in overalls and looks like work."
-Thomas Edison



"Time is limited, so I better wake up every morning fresh and know that I have just one chance to live this particular day right, and to string my days together into a life of action, and purpose."
-Lance Armstrong



"You miss 100 percent of the shots you never take."
-Wayne Gretzky

FPA — THE FINANCIAL PLANNING ASSOCIATION
Philadelphia Tri-State Area

Date: Tuesday, November 14, 2006 **4.5 CE CREDITS!!!!**
Time: 2:00 PM to 7:00 PM
Location: Sheraton Park Ridge Hotel, 480 N. Gulph Road, King of Prussia, PA 19406 – 610-878-1455

1:45 PM Registration
 2:00 PM **“The Most Important Decision of Your Career: The Fundamentals of M&A and Succession Planning”**
 Speaker: David DeVoe, Schwab Institutional
 1 CFP® CE Credit, 1 CPE CE Credit, (1 Insurance Credit Pending)
 3:00 PM **“Qualified Retirement Plans – ERISA Welfare Benefit Plans ”**
 Speaker: Bradbury S. Arnold, J.D., Tycor Asset Management, Inc.
 1.5 CFP® CE Credit, 1.5 CPE CE Credit, (1.5 Insurance Credit Pending)
 4:15 PM Networking, Cocktails, Heavy Hors d’oeuvres
 5:15 PM- **“The New Retirementality”**
 7:00 PM Speaker: **Mitch Anthony**, Founder and President, Advisor Insights, Inc. and The Financial Life Planning Institute
 2 CFP® CE Credits, 2 CPE CE Credits (2 Insurance Credits Pending)

Advance Registration

Name: _____ Guest Name: _____
 Company: _____
 Address: _____
 City, State, Zip: _____
 Phone: _____ E-Mail: _____
 FPA Member @ \$65 _____ **I am a New Member** _____
 Student @ \$35 _____ (Full-Time Students Only)
 Non-Member @ \$100 _____
 TOTAL \$ _____
 Visa _____ Discover _____ MasterCard _____ AMEX _____
 Credit Card # _____ Exp. _____/_____
 Signature: _____

Make Checks Payable to: **FPA Phila. Tri-State**
Mail To: FPA Philadelphia Tri-State, Attn: Chris Stewart, P.O. Box 38, Fairless Hills, PA 19030 or **fax to** our secure fax line at 215-295-3652. **Call** 215-295-0729 with any questions. Cancellation Policy: 48 hours for refund. No-Shows will be billed.

FPA Philadelphia Tri-State Area is registered with the NASBA as a sponsor of CPE on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credits. Complaints regarding registered sponsors may be addressed to NASBA, 150 Fourth Ave., North, Nashville, TN 37219-2417. Web site: www.nasba.org Methods of presentation: Lecture and open discussion. Level of Learning: Overview, Advance Preparation: None. Prerequisite Knowledge and Experience: None. For additional information on administrative policies such as complaint and refund, please contact Chris Stewart at 215-295-0729. Outlines and objectives of presentations can be found at www.fpaohio.org



FPA National Insurance Benefit Program

September 1, 2006

Nothing can replace the loss of a loved one. However, carefully chosen life insurance coverage can ease the financial stress that death brings to a family. By planning ahead, you can ensure that your beneficiaries will have the money necessary to maintain their standard of living.

Financial Planning Association's Group Term Life can be an affordable way to fulfill life insurance needs that last until age 70. For members under age 60, the premiums increase in five year increments (i.e. age 50, 55, 60, etc).

Please log onto our website to download our five-year group term brochure to review the details. Our simplified issue policy may be the best solution if you have health concerns. Other material and applications can be found on the FPA Insurance Benefit Web site: www.assn-insurance.com/fpa.

For more extensive insurance needs, we offer traditional non-discounted level term, whole life, and universal life insurance. The FPA Insurance Benefit Program offers specially priced long-term care, disability, group term life, errors and omissions, and other liability products.

Coming soon to the FPA Benefit Program: Medicare-related products.

For additional information, please e-mail us or visit our Web site.

Sincerely,

Michael L. Crifasi, CFP®
Program Manager



DON'T BE LEFT OUT!

**DO WE HAVE YOUR CORRECT EMAIL ADDRESS?
PLEASE CHECK BY LOGGING ONTO OUR WEBSITE AT:
WWW.FPAPHILLY.ORG**

OR

**EMAIL: ANNA.GENGLER@FPANET.ORG
WITH YOUR CURRENT EMAIL ADDRESS.**

WE DON'T WANT YOU TO MISS ANY IMPORTANT ANNOUNCEMENTS!



Public Awareness



Financial Planning Awareness Week is October 2 - 9, 2006.

We are pleased that our members are contributing their time and talents for Financial Planning Awareness Week.

Pamela Townsend, CFP®, CRPC®, CLTC
Vice President, Public Awareness
First Financial Group
 Two Bala Plaza, Suite 901
 Bala Cynwyd, PA 19004
 (215) 869-5247
 pcht@comcast.net

"Tell me and I forget. Teach me and I remember. Involve me and I learn."

Benjamin Franklin
 (1706-1790)
 American statesman,
 writer, scientist
 & printer

Financial Planning Awareness Week

October 2-9, 2006

Calendar of Events:

October 2, 2006, 9:30am: Press Conference
 Room 201 "Conversation Hall" City Hall, Philadelphia

Proclamations were introduced by the Mayor's Office; Governor's Office; State Senators; Representatives; and Members of Philadelphia City Council.

Financial Planning Awareness Week Activities

September 29, 2006, 10:30am-Noon: Divorce Planning Seminar
 Joslyn Ewart, CFP®: joslyn@entrustfinancial.com

October 2, 2006, Noon: Planning Seminar with Pam Townsend, CFP®
 Central Branch Free Library, Phila., Pa.

October 3, 2006, 7:30pm-8:30pm: "Financial Planning Perspectives" a TV program in Reading, Berks County featuring Joe Halpin, CFP®

October 4, 2006, 9:00am: Seminar hosted by John O'Brien, CFP®
 Exton Library, Exton, Pa. Contact John:john@taxlegalfinancial.com

October 6, 2006, 11:00am-Noon: "Planning for Higher Education Costs" hosted by David Emery, CFP® at Delcora (Delaware County Regional Water Control Authority), 100 East 5th Street, Chester, Pa. 19013
 Contact Dave at EmoryD@univest.net

We need Volunteers to hold Seminars and Workshops at Schools, Community Centers, etc.

The Benefits of FPA-PTSA

Membership Just Got Even Better!

The Board implemented a new rate schedule for advertising in the Quarterly Newsletter. All members receive a **50% discount**

from the regular advertising rates!

Members may also place classified ads in the Newsletter & on the FPA-PTSA website **FREE!**

FPA-PTSA 2006

Regular Advertising Rates

<u>Ad Size</u>	<u>Non-Member Price</u>	<u>50% Discount Member Price</u>
Full Page	\$600	\$300
1/2 Page	\$300	\$150
1/4 Page	\$150	\$75
Full Page (4X)	\$2000	\$1000
1/2 Page (4X)	\$1000	\$500
1/4 Page (4X)	\$500	\$250

* For more information about advertising, please contact Johanna Walters at johannawalters@comcast.net or 610-466-9497.

Study Groups



The FPA Study Groups offer all members an opportunity to meet and interact with other members as well as to obtain Continuing Education credits.

To continue to improve the content of our meetings, please contact the Study Group Leader in your geo-

graphical area about financial topics that interest you. Also, please provide the names of people that would like to make an educational presentation to our Study Groups.

Joseph P. Halpin, CFP®
Chairman, Study Groups
J.P.Halpin & Co., LLC
1604 Bane Way
West Chester, PA 19380
610-431-1036
jphalpin@msn.com



HELP WANTED

**Jenkintown
Allentown**

**We are looking for Group
Leaders for the Jenkintown
Group and the Allentown Group
If you are interested, please
contact Joe Halpin at
jphalpin@msn.com**

FPA-FTSA STUDY GROUPS

Main Line Group

Joseph P. Halpin, CFP®
610-431-1036
jphalpin@msn.com
Schedule: 1st Wed. of Feb., April, Oct.,
Nov. & Dec. (8:00 AM - 9:15 AM)
Location: Planco/Hartford
1500 Liberty Ridge Drive
Wayne (Chesterbrook) PA. 19087

Center City, Philadelphia Area Group

Amira Adams or Richard J. Busillo, CFP®
RTD Financial Advisors
215-557-3800
30 South 17th Street, Phila., Pa. 191033
amira@rtdfinancial.com
rbusillo@rtdfinancial.com

South Jersey Group

Robert Hammond, CFP®
Managing Principal
Lincoln Financial
1800 Chapel Ave. West
Suite 200
Cherry Hill, NJ 08002
856-488-2860
rmhammond@inc.com

Delaware/West Chester Group

Robert S. Pennartz, CFP®
302-654-5451
bob@financialhouse.com
Financial House
Centerville, DE 19807
Location :Concord Plaza, Silverside Rd
near Concord Pike, Talleyville, DE
Schedule:Call/email Bob

Jersey Shore Group

Larry R. Schneider, JD, CFP®
609-653-0052
Larry.R.Schneider@exp.com
American Express Financial Advisors
2000 Shore Road, Suite 201
Linwood, N.J. 08221
Schedule: 3rd Thursday of each quarter
(4:30 PM - 6:30 PM)
Location: call/email Larry



Avoiding the Wrath of the SEC: a Broker Dealer Refresher as to Preservation of Records

By Joel Wertman, Esquire



A discovery is said to be an accident meeting a prepared mind. More aptly stated to the current regulatory climate for broker dealers is that a failure to comply with discovery is an accident waiting to happen. For evidence, look no further than the recent settlement between the Securities and Exchange Commission ("SEC") and broker dealer, Morgan Stanley & Co. which included, among other things, a \$15 million civil penalty for various perceived flaws in Morgan Stanley's customer record keeping. According to the civil Complaint filed by the SEC against Morgan Stanley, from December 11, 2000 through July 2005, Morgan Stanley allegedly failed to produce tens of thousands of e-mails sought by SEC subpoenas and other requests issued in the course of two SEC regulatory investigations of Morgan Stanley. Unfortunately for Morgan Stanley, the Securities Enforcement and Remedies Act of 1990 authorizes the SEC to initiate a judicial proceeding to impose a civil penalty for any violation of various federal securities laws, including the Securities Exchange Act, the Securities Act, the Investment Company Act, the Investment Advisors Act and any rule or regulation adopted under any of these acts. The e-mail issue raised the ire of the SEC and left Morgan Stanley in the unenviable position of confronting the SEC on two separate fronts. Morgan Stanley's perceived record retention deficiencies lead to the filing of a separate civil complaint by the SEC in addition to the ongoing SEC regulatory inquiries! The SEC filed its civil complaint in the United States District Court for the District of Columbia alleging that Morgan Stanley violated the production provisions of the federal securities laws which compromised the ability of the SEC to effectively investigate and determine whether Morgan Stanley had complied with federal securities laws. On May 10, 2006, Morgan Stanley consented to the final judgment which included the multi-million dollar sanction.

The consented final judgment included the provision that Morgan Stanley neither admitted nor denied the allegations of the Complaint. However, the severe monetary sanction is a sobering reminder as to the importance of proper record retention. Broker

dealers are subject to various customer record retention requirements under both state law and through the National Association of Securities Dealers. In the wake of this settlement, broker dealers would be well served also to re-examine the SEC record keeping requirements for customer accounts set forth principally in Section 17(b) of the Securities Exchange Act of 1934 (the "Exchange Act") 15 U.S.C. § 78q (2006) and Exchange Act Rule 17a-4 and Rule 17a-3. A fundamental principle to bear in mind is that the SEC (and where appropriate, self-regulatory agencies such as the National Association of Securities Dealers) possess broad powers to examine the records of every national securities exchange member, broker, or dealer. In particular, the Exchange Act states that records are subject to examination, "at any time, or from time to time, to such reasonable periodic, special, or other examinations by representatives of the Commission and the appropriate regulatory agency for such persons as the Commission or the appropriate regulatory agency or the regulatory agency for such persons deemed necessary or appropriate in the public interest..."

Generally, record retention under SEC authority falls into two categories: documents which must be preserved for six years and documents which must be preserved for three years. For example, the e-mail communication at issue in the Morgan Stanley inquiry was subject to a three year retention policy pursuant to Exchange Act Rule 17a-4. Other notable documents subject to the three year retention rule include the following: all bills receivable or payable, all documents reflecting the granting of discretionary account trading authority, and all written agreements entered into by the broker dealer. See Exchange Act Rule 17a-4, 17 CFR 240.17a-3 (2005). Exchange Act Rule 17a-3 also applies the three year record retention rule to, among other things: transaction confirmations of all purchases and sales as well as a record of all puts, calls, spreads, straddles and other option contracts in which the broker dealer has any indirect or direct interest.

The six year record retention requirement applies to many blotters and ledgers which broker dealers are required to maintain in the

course of their daily business. A blotter normally consists of a record of trades and the details of the trades made over a period of time (usually one trading day). The details of a trade will include such things as the time, price, order size and a specification of whether it was a buy or sell order. Exchange Act Rule 17a-3 requires the six year retention of blotters (or other records of original entry) containing the itemized daily record of all purchases and sales of securities, all receipts and deliveries of securities, all receipts and disbursements of cash. This blotter must also reflect the account for which each transaction was affected, the name and amount of securities, the unit and aggregate purchase or sale price, trade date, and the name of the person from whom purchased or received or to whom sold or delivered. CFR 240.17a-3(a). Moreover, the duty to retain records sometimes extends far beyond the conclusion of a business relationship with a customer. For example, broker dealers are required to preserve for a period of not less than six years after the closing of any customer's account any account cards or records which relate to the terms and conditions with the respect to the opening and maintenance of such account; i.e. new account forms and updates which set forth investment objectives, risk tolerance, investment time horizon, etc.

The SEC's recent settlement reached with Morgan Stanley is a grim reminder of the consequences which face broker dealers for their inability to maintain customer account records in accordance with SEC standards. Clearly, an inability to produce records in connection with a regulatory investigation will never endear a broker dealer to the regulators. However, the broker dealer that does not diligently retain records runs the additional risk of being confronted by the SEC in a civil suit. The lesson is clear; the prepared mind will take every step to ensure that a failure to comply with discovery is an accident which never happens.

*Joel Wertman is an Associate at Marshall, Dennehey, Warner, Coleman, & Goggin specializing in securities law.
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Education Report



2006 is turning out to be a tremendous year for chapter education activities. After a strong turn out for Andy Gluck's presentation in July, you really turned out for the Fall Retreat: 145 attendees (a new record!!!) and 64 golfers. We all owe a big

thank you to Ty Agar who did a great job creating an attractive agenda and leading the Retreat Committee.

Now's the time to mark your calendars for November 14th. Our chapter will host our first ever four hour quarterly meeting. Yes, that's right, four hours of CE credit with a great program PLUS the usual chance to network and catch up with your peers. The theme for the meeting is retirement planning - probably the hottest topic around because of changes in the law and continued demographic pressure.

Come join us in King of Prussia to hear nationally recognized speaker **Mitch Anthony** on The New Retirementality, industry legal expert Brad Arnold, JD on the important changes you need to know about and what they mean for you and your clients, PLUS David Devoe, director of practice management programs at Schwab, who will explore The Most Important Decision of Your Career; The Fundamentals of M&A and Succession Planning. Yes indeed, this program is well worth giving up an afternoon and making the drive. See you there!

Finally, you've recently received an email asking you to volunteer to contribute some hours to our 2007 education committee. If you ignored it, shame on you. If you just forgot to reply, do it now. jefflaut@comcast.net.

Continued success,

Jeffrey R Lauterbach
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FPA-PTSA: Members Caught on Camera!

July 20, 2006 Quarterly Dinner Meeting:



Former FPA-PTSA President, Al Marland and Treasurer, Scott Michalek enjoying themselves at the July 20th Quarterly meeting at Hibachi Restaurant at Penn's Landing.



President, John O'Brien sharing a moment welcoming new member, Jim Heisler.



Members networking and enjoying a cocktail.

2006 FPA-PTSA Fall Retreat - Golf and Ethics



Jeff Lauterbach, VP Education, Matt Delzingaro, MetLife Investors and Sponsor of the Hole-In-One Contest, and Bob Smith, former FPA Board member, enjoying an afternoon of golf.



Speaker, Tom Sundstrom, American Legacy/Lincoln Financial Distributors and Ty Agar, FPA Board Member and Chairman, Fall Retreat.



FPA-PTSA President, John O'Brien celebrating a wonderful golf game!

FPA Denver Leadership Conference:



Steve Wetzel, Bill Suplee, Chris Stewart, and John Kilroy enjoying dinner.



Steve Wetzel, President-Elect FPA-PTSA with Reed Fraasa, FPA NJ Chapter Board Member and 2006 Chair of the Alliance Forum.



2006 Board Appreciation Cocktail Party



September 30, 2006 Board Appreciation Cocktail Party at President, John O'Brien's home. From left, John O'Brien, Chris Stewart, Steve Wetzel and Scott Michalek. John thanked all for their hard work on behalf of FPA throughout the year by throwing a cocktail party at his home.

Financial Planning Awareness Week:



October 2, 2006 - Financial Planning Awareness Week kicked-off at City Hall with proclamations obtained from Philadelphia City Council, as well as a Mayoral proclamation from the City of Philadelphia, and proclamations from The Governors of Pennsylvania, Delaware and New Jersey. Presenting the citation from City Council is Councilwoman Blondell Reynolds Brown with (Back row, from left) Joe Halpin, Bill Love, Dave Emery, Michael Garry, Mark Rioboli and Scott Michalek. Front row from left) Councilwoman Blondell Reynolds Brown, Pamela Townsend and John O'Brien.

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Hotel Room Available at FPA National Conference in Nashville

I am planning to attend my first FPA National Conference this year in Nashville (<http://fpaannual-convention.org/>). I have a double room booked at the Gaylord Opryland Resort for 3 nights from 10/21 (check in - 3:00 pm) to 10/24 (check out - 11 am). I have requested a non-smoking room with 2 double beds. Please contact me if you are interested in sharing the room, and I will be happy to provide you additional information.

**Ajay Kaisth
ajay@kaiadvisors.com
609.514.1122**



The Financial Planning Association® (FPA®) would like to extend its appreciation and gratitude for a job well done! Thanks to you FPA continues to grow stronger. The first leg of the recent Member-Get-a-Member program resulted in over 300 referrals and almost 80 new members.

And we have a winner! Robert L. Brown from Tax & Financial Group in Newport Beach, Calif., recruited two new members before anyone else. An active board member of FPA of Orange County, he wins a video iPod for recruiting two members early in May. And he's on board for a possible trip for two to Paris in September 2007.

The chances to win just keep coming! Our next round of Member-Get-a-Member kicked off August 1, and we already have new members coming in the door. Sponsoring members are in the running from some amazing rewards:

- A \$500 gift certificate for a PDA device, service and accessories is yours if you have the most referrals who join between August 1 and September 30.
- An FPA Form ADV Part II template to customize your business for your SEC filing goes to the member who recruits the first three new members between August 1 and September 30.
- Every member you refer who joins along the way brings you closer to the ultimate reward. Say "Bonjour!" as you win a trip for two to Paris!

We help with all of the referrals you give us by sending them membership information and including them in recruiting incentives. However, it is your personal contact — reminding them of the benefits that you enjoy with your FPA membership — that turns them from prospects into members. Be sure to follow up with your referrals and encourage them to join.

Make sure you get credit for your referrals. Fill out the referral cards (be sure to include your name and contact information first) included with the Member-Get-a-Member mailings, or go online to www.FPAnet.org/join/friend.cfm and enter your referrals electronically. Ask your referrals to include your name on their applications.

Thank you and keep up the great work!

Julie Massaro
Director of Membership and Chapter Relations

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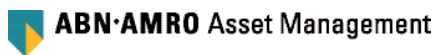


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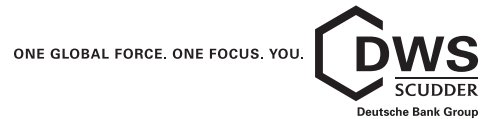
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