

Task 1: Interview Interested Parties

Interview interested parties (no more than approximately 35), such as industry groups, regulators, and investor advocates, on topics including the following topics:

- The types of financial products, accounts, programs and services that broker-dealers and investment advisers provide to individual investors and the context in which they provide them.
- The marketing and advertising of these financial products, accounts, programs and services to individual investors.
- The titles used by these investment professionals.
- The communications and disclosures, oral or written, used in connection with the offer of such products, accounts, programs and services to individual investors.
- The fees and costs of such products, accounts, programs and services.
- The compensation received by broker-dealers, investment advisers, and their associated persons from other sources for offering the different financial products, accounts, programs and services to individual investors.
- The extent, nature, and timing of the disclosures provided to individual investors regarding financial products, accounts, programs and services, including any descriptions of conflicts of interest and duties owed to investors.
- The training and qualifications of associated persons of broker-dealers and investment advisers relating to the marketing, sale and delivery of financial products, accounts, programs and services to individual investors.
- The supervisory and compliance systems and management structures within brokerage and advisory firms.
- The business models of broker-dealers and investment advisers, including whether they are part of financial conglomerates and are dually registered.
- Individual investors' understanding and expectations, and information that would be useful to them, with regard to the foregoing topics.

Task 2: Learn Current Industry Practices

Collect relevant business documents (from no more than approximately 100 firms), including:

- Sales material provided by firms for use by investment professionals, including materials provided to individual investors.
- Contracts and agreements by and between investment professionals and other parties relevant to such matters as incentive compensation structures.
- Disclosure documents provided to individual investors.
- Sales material targeted at investment professionals.
- Account statements.
- Other pertinent books and records.

Interview personnel at brokerage firms and advisory firms (no more than a total of approximately 50 firms) on topics including the following:

- The types of financial products, accounts, programs and services that they provide to individual investors and the context in which they provide them.
- The marketing and advertising of financial products, accounts, programs and services to individual investors.
- The titles used by investment professionals.
- The communications and disclosures, oral or written, used in connection with the offer of such products, accounts, programs and services.
- The fees and costs of such products, accounts, programs and services.
- The compensation received by broker-dealers, investment advisers, and their associated persons from other sources for offering the different financial products, accounts, programs and services to individual investors.
- The extent, nature, and timing of the disclosures provided to individual investors regarding financial products, accounts, programs and services, including any descriptions of conflicts of interest and duties owed to investors.
- The training and qualifications of associated persons of broker-dealers and investment advisers relating to the marketing, sale and delivery of financial products, accounts, programs and services to individual investors.

- The supervisory and compliance systems and management structures within brokerage and advisory firms.
- The business models of investment advisers and broker-dealers, including whether they are part of financial conglomerates and are dually registered.

Task 3: Talk to Investors

Conduct focus group interviews of individual investors (no more than approximately 15 focus groups, each consisting of approximately 6 to 9 investors).

Prior to conducting the investor focus group interviews:

- Administer a brief questionnaire designed to assess financial literacy, to help segment participants into sophisticated and non-sophisticated investors.
- Administer a questionnaire providing general identifying information and indications of preferences across financial products, accounts, programs, services, and prices.

Conduct the investor focus group interviews on subjects including:

- Their understanding of the nature of the financial products, accounts, programs and services, including advisory services such as, for example, financial planning and discretionary asset management, that are provided to them by broker-dealers and investment advisers, and the context in which these are provided.
- Their understanding of the marketing and other information, such as titles, provided to them regarding the financial products, accounts, programs, services, and investment professionals that they utilize.
- Their understanding of the fees and costs that they pay and any other sources of compensation that their investment professionals receive for providing these products, accounts, programs and services to them.
- Their understanding of the disclosures made to them regarding these products, accounts, programs and services, including any limitation of duties.
- Their understanding of the business models of investment advisers and broker-dealers, including whether the firms are part of financial conglomerates and are dually registered.
- Their expectations with respect to the particular types of financial products, accounts, programs, services, and investment professionals that they utilize, including the obligations owed to them by their investment professionals.

- The information that would be useful to them with respect to the particular types of financial products, accounts, programs, services and investment professionals that they utilize.

The contractor will, as and to the extent approved by the appropriate SEC staff, take any related actions it deems necessary or appropriate to fulfill its contractual obligations.