



## **Financial Advisor Frequently Asked Questions**

### **I. Why has the Financial Advisor Registration Program been created?**

The idea for the Financial Advisor Registration Program came from the players themselves. The principal intent of the Program is to benefit the players by providing them access to a qualified group of financial advisors that have met specific eligibility criteria. The NFLPA designed the Program to provide players with an additional layer of protection from poor financial advice and outright fraud.

### **II. What are the benefits of the Program?**

The NFLPA lists all Registered Player Financial Advisors on its password-protected website. The list contains each registered advisor's name, address, telephone number, e-mail address, and website address. NFL players and agents can search the list based on select criteria, i.e., name, service, region, etc.

In addition, the NFLPA provides educational opportunities for advisors registered in the Program through webinars and an annual conference held jointly with contract advisors. These educational opportunities present extensive information and materials on the Program, negotiated benefits, compensation structure, tax, insurance, pension, and other relevant financial issues related to NFL players.

Please note, according to the No-Action letter issued to the NFLPA by the Securities and Exchange Commission (SEC) on January 22, 2002, the NFLPA cannot recommend any financial advisor or institution over any other, nor will any specific advisor or institution be marketed to players by the NFLPA.

### **III. What is the relationship of the players' agents to the Program?**

While the Program is voluntary for financial advisors, it is mandatory for contract advisors (a.k.a. agents) to the players. All NFL player contract advisors are fully regulated by the NFLPA, and they cannot conduct business without NFLPA certification and approval. Under the NFLPA regulations governing contract advisors, every contract advisor may only refer their player-clients to financial advisors registered in the Program - or risk disciplinary sanction. Similarly, any contract advisor providing financial advice must be dually registered in the Financial Advisor Registration Program.

### **IV. Does the operation of the Program subject the NFLPA to U.S. Securities and Exchange regulation?**

The No-Action letter, issued by the Security and Exchange Commission's Division of Investment Management (SEC), dated January 25, 2002, stated that the NFLPA would not be an investment adviser as defined in section 202(a)(11) of the Investment Advisers Act of 1940 as a result of its operation of the Program. The SEC also confirmed in that letter that it would not recommend enforcement action to the Commission under Section 204(4) of the



Investment Advisers Act of 1940 and rule 206(4)-3 against the NFLPA and investment advisers that participate in the Program if those investment advisers make cash payments to the NFLPA as described in the no-action letter and do not treat the NFLPA as a solicitor for purposes of rule 206(4)-3. However, this relief does not constitute an approval, endorsement, or recommendation by the SEC or its staff of the Program.

In addition, in December 2020, the SEC issued a "Marketing Rule Adopting Release," which amended rules that govern investment adviser advertisements and compensation to solicitors under the 1940 Investment Advisers Act. Under the SEC's Marketing Rule Adopting release, the then-existing advertising and cash solicitation rules, Rule 206(4)-1 and Rule 206(4)-3, respectively, were amended and replaced with a single amended Rule 206(4)-1 ("Amended Rule 206(4)-1").

When the SEC publicly announced its intent to change those rules, the 2002 No-Action letter in which the SEC had "blessed" the NFLPA Registered Financial Advisors program as it was initially structured was deemed "withdrawn." However, when the SEC adopted its final version of "Amended Rule 206(4)-1" several months after the December 2020 announcement, only one aspect of the 2002 No Action letter was impacted (the key provision that acknowledges that the NFLPA does NOT act as an "investment adviser" under the 1940 Advisers Act remained accurate/effective.) The 2002 No-Action letter was deemed "modified," NOT withdrawn.

Ultimately, in an abundance of caution to supporting the position that NFLPA's Registered Financial Advisors program fully complies with the final Amended Rule 206-4-1 (which addresses the concept of "cash solicitation/advertising"), NFLPA's outside counsel recommended that NFLPA cease accepting any direct payments for annual fees/background checks from participants in the Registered Financial Advisors Program. Although such payments always served only to defray costs, the NFLPA concluded that the optics of any direct annual fee payments from participants in the Program should have been avoided when the Rule took effect. In essence, direct payments by Program participants to the background investigative company and payments to defray the annual conference event are not problematic under the amended Rule.

#### **V. Is there any fee for the Program?**

The Applicant (or the Applicant's firm) must pay the required [Application](#) and annual fees established from time to time by the NFLPA. All fees collected by the NFLPA will be used exclusively to defray the costs of the Financial Advisor Registration Program.

The current application fee for registration in the Program is \$2,500.00 and is non-refundable.

#### **VI. What forms must I submit with my Application?**

Based on your desired practice area, you must submit your current CRD® or



IARD(SM) System Snapshot - Individual, if applicable, and proof of insurance. You must also fully complete and submit the [Application](#), including Appendix B, which authorizes the release of your information to the NFLPA.

**VII. Who is provided access to the Registered Financial Advisor List?**

Active and former NFL players, Certified Contract Advisors, and Registered Player Financial Advisors have access to the web-based list. Prospective NFL players are provided information regarding advisors on the list upon request.

**VIII. What are the eligibility requirements to participate in the Program?**

All financial advisors must have appropriate professional qualifications to be eligible to participate and pass a background investigation. The eligibility requirements for advisors include, but are not limited, to the following:

1. Bachelor's degree from an accredited university.
2. Every Applicant shall be a CERTIFIED FINANCIAL PLANNER™ (CFP®) and/or a Chartered Financial Analyst® (CFA).
3. Minimum of eight (8) years of licensed experience (qualifying licenses include FINRA series licenses, Attorney, CPA, or an insurance license).
4. Fidelity bonding and professional liability insurance coverage as indicated in Section Two II D of the [Regulations](#).
5. No civil, criminal, or regulatory history related to fraud.
6. No pending customer complaints or litigation at the time of Application.
7. Must not maintain custody of player funds unless deemed a qualified custodian



Please read the eligibility requirements as outlined in the Program's Regulations. It is imperative that you understand all of the Regulations before signing and submitting your Application to the NFLPA. [Regulations & Application](#)

**IX. Are there any eligibility requirements or criteria besides those published in the Regulations?**

No.

**X. Several people who practice with me assist players. Must we all submit an Application for registration in the Program?**

The answer is generally yes, depending on the nature and degree of assistance. If the person practicing or assisting the Registered Player Financial Advisor is also providing financial advice and receiving a fee for this service, this individual must also register in the Program. You must also list all members of your financial team who assist clients. The specific Rule is stated in Section Three (I) CF) of the Regulations.

**XI. What type of marketing may I be permitted to conduct?**

You can inform any player that you are registered in the Program. You may also discuss the review process the NFLPA conducted before granting registration. You are **not** permitted to state or imply that registration in the Program constitutes an **endorsement** or **recommendation** by the NFLPA of you or your services or that your registration status constitutes evidence of your skill, honesty, or competence to represent players. See Section Four II (A) (10) and Section Seven of the Regulations. Find the Regulations [here](#).

**XII. Will I have direct access to the players and contract advisors to introduce myself and my services?**

The NFLPA routinely promotes the Program to players, contract advisors, and other constituents that support NFL players. However, please remember that the NFLPA cannot recommend any particular advisor or institution under our SEC No-Action letter. Once registered with the NFLPA, you may search for a specific player's contract advisor using the player/agent search [function](#).

**XIII. I have submitted my Application. Does this mean I am registered?**

No. All Applications are reviewed and vetted to ensure the Applicant meets the eligibility criteria and passes the background investigation. Upon satisfactory review, approved Applicants will receive a Registration Certificate from the NFLPA (see a sample in Appendix E to the Regulations).

**XIV. What if I have less than eight years of relevant experience or do not have a college degree?**

According to the SEC No-Action letter, every Applicant must meet the eligibility requirements at the time of the Application. If you do not believe you meet the Application requirements but still choose to apply, your Application may be denied causing you to forfeit your \$2,500.00 application fee.

**XV. How quickly will my Application be processed?**

We will make every attempt to process [applications](#) within 90 days of receipt but



may extend that period if necessary.

**XVI. Where, to whom, and how do I send my Application?**

All [Applications](#) must be submitted online. Registration is based on a calendar year and will expire annually on December 31.

**XVII. Whom shall I contact if I have further questions?**

After you have thoroughly read both the Regulations and Application, found [here](#), you may [contact us](#) with any questions you have that are not answered in the Regulations and Application. We are happy to answer any questions, but please remember that most questions are answered in those two documents.

**We very much look forward to your participation in the Program.**