

# The Road to Fiduciary Security



**Begins with a  
CEFEX Certified Advisor**





## Who is Watching Over Your Investments?

Hiring someone to manage your organization's assets can be challenging. Issues such as increased regulation and fee disclosure requirements have created challenges for trustees and investment committee members. How is it possible to limit risk and ensure best-practice fiduciary processes are in place? CEFEX certification has made it easier to appropriately assess how well your Investment Advisor is watching over your investments.

## What CEFEX Offers:

The Centre for Fiduciary Excellence, LLC (CEFEX) is an independent certification organization that works closely with industry experts to conduct comprehensive assessments of investment fiduciaries.

- The mission of CEFEX is to promote best practices in the investment management industry.
- CEFEX Certification helps determine the trustworthiness of investment fiduciaries.

## What a CEFEX Certified Advisor Offers You:

Investment decision-making can be complex. Although some providers have embraced transparency and true fiduciary accountability, many have not. Since 1940, many interpretations of the law have emerged, allowing some providers the ability to find loopholes from which to profit at the expense of investors.

Now, more than ever, investors, donors, and retirement plan sponsors need to select **trustworthy** advisors who are **dedicated to safeguarding their clients' best interests** by finding the most appropriate products at the best price.

## How a CEFEX Certified Advisor Benefits You:

Investment Stewards have an obligation to conduct due diligence and oversee the providers they hire. A CEFEX Certified Advisor comes 'diligence ready.' The Advisor is assessed on an annual basis by an independent fiduciary expert. This benefits you through:

- Increased efficiency:** CEFEX Certified Advisors have developed processes that maximize quality and efficiency.
- Better decision-making:** CEFEX Certified Advisors utilize a factual approach that facilitates information-gathering and decision-making based on market data.
- Improved supplier relationships:** CEFEX Certified Advisors are backed by mutually beneficial supplier relationships that result in strong adherence to best practices for documentation and monitoring and ensuring the highest quality investments are used in retirement plans, trusts and other vehicles.



## Exceeding Industry Standards:

When you hire a CEFEX Certified Advisor, you can be sure that it avoids conflicts of interest. The CEFEX Certified Advisor serves your best interests by adhering to a fiduciary standard described in the handbook: *Prudent Practices for Investment Advisors*, published by the industry leader in fiduciary excellence, fi360.

The Prudent Practices are organized under a four-step Investment Management Process. The steps are consistent with the global ISO 9000 Quality Management System standard, which emphasizes continual improvement in an organization.

### CEFEX Certified Advisors are expected to:

1. Know standards, laws and trust provisions
2. Diversify assets to specific risk/return profiles of the clients
3. Prepare investment policy statements
4. Use 'prudent experts' (e.g. money managers) and document due diligence
5. Control and account for investment expenses
6. Monitor the activities of 'prudent experts'
7. Avoid conflicts of interest and prohibited transactions



**Contact a CEFEX Certified Advisor today to learn how well your investments can be managed and get on the road to fiduciary security.**

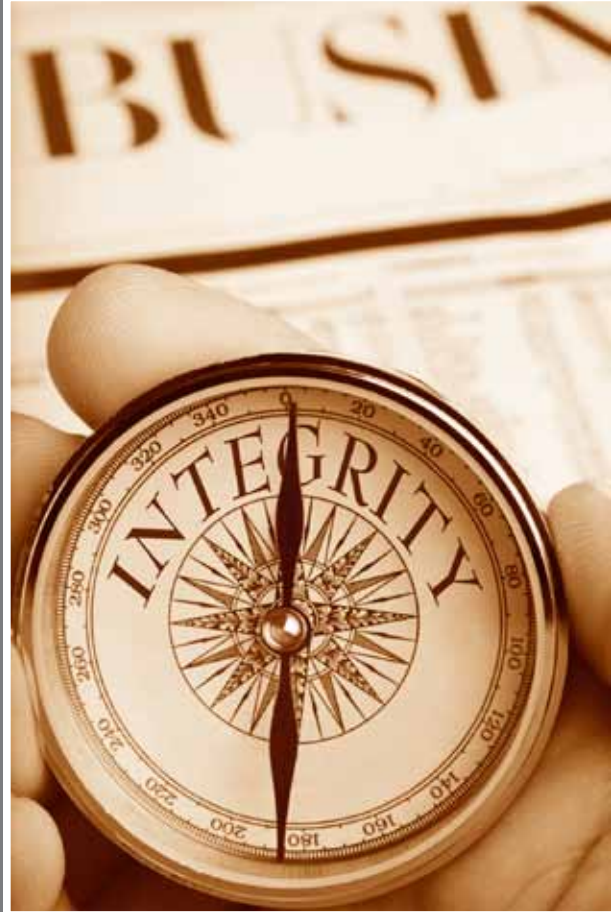
**[www.cefex.org](http://www.cefex.org)**



## What Fiduciary Means:

*The word “fiduciary” comes from the Latin “fiducia,” meaning “trust.” It refers to a person (or a business, such as a bank or investment advisor) who has the power and obligation to act for another (often called the beneficiary) under circumstances that require total trust, good faith and honesty.*

*Characteristically, the fiduciary has greater knowledge and expertise about the matters being handled. A fiduciary is held to the highest standard of conduct and trust. He/she/it must avoid self-dealing or situations in which the potential benefit to the fiduciary is in conflict with what is best for the person who trusts him/her/it.*



*The Gold Standard of Fiduciary Excellence*

**CEΦEX**  
CENTRE FOR FIDUCIARY EXCELLENCE