

**FINANCIAL INDUSTRY REGULATORY AUTHORITY (FINRA)
INVESTOR EDUCATION FOUNDATION
AND
DEPARTMENT OF DEFENSE**

MEMORANDUM OF UNDERSTANDING

I. Purpose and Basis for Memorandum of Understanding

This Memorandum of Understanding (MOU) is between the FINRA Investor Education Foundation (FINRA Foundation) and the Office of the Deputy Assistant Secretary of Defense for Military Community and Family Policy (DASD (MC&FP)) for the Department of Defense (DoD). This MOU does not extend to any other non-Federal entity.

The MOU allows, under conditions outlined in this MOU, collaboration to develop effective awareness campaigns and financial education programs and resources to assist service members and their families in making prudent financial decisions. It is understood that DoD is accountable to follow the statutes, directives, and policies that govern its performance as FINRA Foundation is accountable to follow the directives and policies that govern its performance and that collaboration between the two entities requires mutual respect and understanding of these policies.

The Department of Defense provides financial education and counseling for military members and their families to enhance financial stability through reducing debt and establishing savings and investments. Building a financial plan affords military members and their families an opportunity to achieve goals and maintain a fund for emergencies, thereby enhancing overall mission readiness. Also, a solid financial plan can assist in achieving future financial goals such as buying a home, paying for college, or preparing for an economically secure future.

II. FINRA Foundation

FINRA, the Financial Industry Regulatory Authority, is the largest non-governmental regulator for all securities firms doing business with the U.S. public. The FINRA Investor Education Foundation, a nonprofit, 501(c) (4) organization, is the largest foundation in the U.S. dedicated to investor education. Its mission is to provide investors with easily accessible information and tools to better understand the markets and the basic principles of saving and investing. To further this mission, the FINRA Foundation awards grants and manages targeted projects to fund educational programs and research aimed at segments of the investing public who could benefit from additional resources. FINRA and the FINRA Foundation do not sell investment products, promote products or firms, or offer specific investment advice.

The FINRA Foundation was originally named the National Association of Securities Dealers (NASD) Investor Education Foundation. The FINRA Foundation's Military Project was launched on Capitol Hill in February 2006 based in part on a survey conducted by FINRA indicating that the military community could benefit from noncommercial and unbiased enhancement of its financial literacy through education.

III. Description of FINRA Foundation-funded Programs

Using fine money levied by FINRA against financial firms for misleading sales practices targeting military personnel, the FINRA Foundation launched the Military Financial Readiness Project to improve the saving and investing knowledge of military service members by giving them the tools and information they need to make critical saving and investing decisions with confidence. The multifaceted program includes: an online resource center (SaveAndInvest.org/MilitaryCenter); professional development training programs; educational materials; outreach partnerships; on-base activities and events; and a public outreach campaign.

Through the Military Financial Readiness Project, Personal Financial Managers (PFMs) and other financial educators, service members and their families will have access to the following and more:

- Professional Development Programs – a partnership with the Association for Financial Counseling and Planning Education to provide continuing education that counts toward the Accredited Financial Counselor® designation
- Military Spouse Fellowship Program – a program which provides military spouses with the opportunity to earn a career-enhancing credential—the Accredited Financial Counselor® certificate—while providing financial counseling and education to the military community
- Free Credit Score and Analysis Tool – an online tool, distributed primarily through on-base PFMs and other military financial educators, that makes FICO® credit scores, educational information and tools available free of charge to active duty service members and their spouses
- Free Publications and Financial Tools – an array of free publications, online tools and resources to help service members with managing the financial impact of deployments and changes in duty, avoiding ID theft, saving for retirement and more

Additional programs and initiatives to further educate the military community in the financial arena are underway or will be developed. The FINRA Foundation itself underwrites and manages several other financial education and awareness programs and continues to reach out to service members and families with high-quality, unbiased information, and easily accessible tools focusing on investor education, financial markets, and trends.

IV. Department of Defense

The DoD has over 2 million active and reserve component service members. As part of its commitment to service members and their families to empower them to be resilient and to improve their quality of life, DoD provides personal financial management education and counseling to prepare them for their changing financial needs. Junior service members receive the bulk of their basic financial education during the first 18 months of service. These services continue to be available throughout a service member's military career. Follow-on programs that include family members are also provided at military installations. Personal financial management is an integral part of personal and mission readiness. Financial issues are key stress

indicators within the military. DoD's goal is to improve service members and families' financial management skills to enhance overall mission readiness.

V. Responsibilities

Responsibilities of the FINRA Foundation:

- A. Implement an awareness campaign and education programs and resources to educate and motivate service members and their families so that they may make informed decisions concerning money management, saving, and investing.
- B. Consult with DoD in the event FINRA Foundation executes awareness campaigns and financial education programs for the military community through agreement and/or funding of other nonprofit organizations.
- C. Consult with DoD to develop quantifiable objectives for financial awareness campaigns and education programs.
- D. Monitor the execution of the financial awareness campaign, and use of financial education programs formed through partnerships with appropriate organizations providing periodic feedback to the DASD (MC&FP).
- E. Inform the DASD, MC&FP, Office of Family Policy, Children and Youth prior to engaging the military community, and comply with all applicable DoD policies and procedures, including all installation access rules established by each installation commander.

Responsibilities of DASD (MC&FP):

- A. Provide otherwise publicly available information and statistics collected through DoD resources on the need for financial education and information on existing awareness campaigns and financial education programs, resources, and opportunities.
- B. In accordance with law and regulation, facilitate access to service members and their families, Military Service level PFMs, commanders, public affairs officers, and senior enlisted personnel, in order to obtain feedback on their needs, and to successfully implement a financial awareness campaign and educational programs.
- C. Assist FINRA Foundation in developing quantifiable objectives and provide advice on marketing and program choices that may promote effective use of materials developed for the Military.

D. Facilitate opportunities for FINRA to meet with officials in OSD, the Military Departments, and the Military Services to obtain their insight on how to promote the financial awareness campaign and educational programs.

E. Office of Family Policy, Children and Youth will, when appropriate, coordinate engagements with the Service Secretariats.

F. Provide subject matter expertise to FINRA Foundation, as needed and authorized by law and regulation.

G. Coordinate proposed awareness campaign and educational programs with existing financial programs that support the military community in order to enhance distribution of messages and media. Existing programs include Military OneSource telephonic and Web-based assistance, Family Support Programs, and Morale, Welfare and Recreation Programs managed by the Military Services, the Armed Forces Information Service media outlets/channels, the Defense Commissary Agency, and the Armed Forces Exchanges.

H. Assist the FINRA Foundation by:

- Linking the FINRA Foundation military online resource center to relevant DoD sites to increase readership, with an appropriate disclaimer that DoD does not formally endorse the FINRA Foundation.
- Proposing efficient distribution methods for FINRA Foundation materials to increase their availability to military members and their families.
- Publishing the dates and times of FINRA Foundation military investor forums and other military-focused events.

VI. Amendment

The MOU will be reviewed annually, and may be amended as agreed to in writing by both parties.

VII. Effective Date and Termination

The MOU shall become effective upon the signature of the authorized officials of the respective parties. It shall remain in effect until terminated by mutual written agreement or 60 days after written notice by either party.

VIII. Limitation

This document is a Memorandum of Understanding only. It is entered into only as a declaration of present intent. Nothing herein shall be construed as a legally binding commitment of any party or parties hereto either individually or collectively. This MOU does not create any rights either on the part of any party hereto or any third party. Further, the Department of Defense may not directly or indirectly endorse any product, service, or event produced by a non-federal entity. Thus, FINRA Foundation may not use this MOU to imply DoD sanction or endorsement of its

services or products. Any provision of this MOU that conflicts with federal law or regulation will be null and void.

IX. Points of Contact:


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X. Signatures:

FINRA Investor Education Foundation


Department of Defense

By: 

Geraldine M. Walsh
President
FINRA Investor Education Foundation

By:  DEC 20 2012

Charles E. Milam
Acting Deputy Assistant Secretary of Defense
(Military Community and Family Policy)

FINRA OGC
NAME: 
DATE: 1/24/13