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The new DOL Fiduciary Rule that is scheduled to go into effect on April 10th, 2017 reminds me of the "Clean Water Bill". I mean who could possibly be against clean water? We now know that the clean water bill actually contained massive amounts of wasteful and frivolous pork barrel spending that had nothing to do with "clean water". However, when this bill came out it made history because it illustrated how an impressive title can be extremely difficult to oppose.

Let me give you one more analogy for perspective. Just imagine that a law was passed that anyone planning on driving more than 100 miles in a day would have to submit a "written road driving plan" to the department of transportation (DOT) in advance before they made the road trip. And if they made unexpected changes to their original "road driving plan" they would have to pull off to the side of the road and contact DOT for permission to make an unscheduled rest stop, etc. Now, if you dared to object to this new "safe driving" regulation you would be accused of laziness and reckless disregard for traffic safety. And a news person will conduct 30 second man on the street interviews where they present impressive statistics and then ask drivers that oppose the new rule if they want people to die needlessly in traffic accidents? Now since most of us probably drive automobiles we can easily see how unworkable, disruptive, and futile a written road driving plan requirement would be in real life. Would a rule like this actually make people safer or would it just slow our lives down to a standstill? But it is harder to relate to something that most people have never done which is make a living helping people with their financial services issues and opportunities. Believe me most financial services professionals view the DOL Fiduciary Rule the same way the average driver would react to a safe road driving regulation that required filing a road driving plan the way pilots file a flight plan.

The new DOL Fiduciary rule will add time consuming and mind numbing regulations to the information overload that we are already experiencing. Instead of making the financial services business safer for investors it will actually add tremendous pressure to try and produce enough revenue to survive. It is especially problematic for "insurance only" and/or mutual fund only financial services professionals. I am already operating a full service health and life insurance agency and have securities Series 6, 63, 65 and 7 licenses. This allows me to provide "comprehensive" financial planning services to my clients. So for me, the new DOL fiduciary rule will add a serious drag on my productivity and it will regrettably force me to drop lower net worth clients. But this may be partially offset by fewer financial services competitors. But for "insurance only" professionals they will not be able to touch any "tax qualified" (IRA, 401k, 403b etc.) and "non-qualified" investments that are funded with securities. And many securities licensed people, who handle mutual funds only, will need to expand their licenses by passing the much more comprehensive and complicated Series 65 exam which would authorize them to provide financial advice (i.e. Financial Planning). In addition to the Series 65 exams being difficult to pass it will also involve additional training, expensive and complicated software, far more stringent due diligence, suitability, record keeping, and much greater legal liability. Many competent financial advisors and insurance representatives will no longer enjoy a career that has so much pressure and regulation that they won't have time to see normal clients. Every professional will be forced to pursue the high net worth clients if they hope to survive financially.

The "fear profiteer" financial newsletter businesses are already cranking out scare articles predicting a "retirement black out" i.e. they are predicting DOL Fiduciary will cause many advisors to drop out of the

financial services business entirely. And those who stay will be forced to pare down their client list to just the most affluent client in order to survive. This weeding out process will cause the average investor to be abandoned and create what some are calling the retirement black out. These smaller accounts will be low hanging fruit for the financial newsletter scam artists. These **unregulated** financial advisers will share “the secret” to make a killing just like the financial big shots (Warren Buffet [et.al](#), i.e. get rich quick by using sophisticated financial strategies that their current financial advisor would never get approved by his compliance supervisors—strategies such as buying and selling stocks on a margin using puts and calls, etc.) I personally feel this could easily become a recipe for financial disaster for those who choose to handle this “high voltage” advice without the necessary tools, training, experience, and financial temperament to handle it safely. I am afraid many of these people are actually signing up for a “high voltage shock” as soon as the economy encounters a volatile financial environment that they do not understand. Their potential financial losses are staggering when you consider the significantly leveraged investment vehicles that appear to be on the some of the financial newsletter menus. For me the dangerous key words in these appeals are “secret” and the concept of getting rich quick just like the hedge fund big shots.

We must stop the demonization of the financial services industry before these regressive regulations end up hurting the very people that they were intended to help.

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It's a new day with exciting possibilities!!!

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