

## Update on the Department of Labor's Retirement Advice Standards

The Department of Labor has issued new regulations for retirement accounts to better protect clients by providing more disclosure of fees and commissions, as well as mitigating adviser conflicts of interests where they exist. These new regulations take affect April 10, 2017.

The DOL rule says that all advisors and registered representatives who manage individual retirement accounts are now required to be fiduciaries, meaning they must act in the best interests of their clients when providing savings and investment advice.

We here at Potomac Financial Private Client Group feel that requiring advisers to act in a fiduciary capacity is good news for the investing public and we fully support these changes. All the advisors at PFPCG are either CERTIFIED FINANCIAL PLANNER™ professionals (CFP®) or Chartered Financial Consultant (ChFC®) Practitioners and we are fee-based advisors. So the new rules are similar to the professional practice standards we have followed since our founding.

For most of our clients, those who have fee-based retirement accounts, these new rules will have no effect on how we work together. If you have a retirement account that is affected by these rule changes, you'll be receiving a letter from your advisor this month with a recommended course of action appropriate to your financial circumstances.

We realize you may have other retirement accounts outside of your account with us. If you receive notification about these changes from your other providers such as your bank or your 401k provider, please don't hesitate to ask us to review it for you. We would be glad to.

Again, we view this as a positive development for the investing public and we thank you for your business and continued trust.