Pittenger & Anderson, Inc.
REGISTERED INVESTMENT ADVISOR

The P&A Blog

February 10, 2021

How to protect retirement savings

By Pitt

In late 1994, the tools became available to create a firm like Pittenger & Anderson. The internet was coming of age, fees were dropping, and Charles Schwab decided to support Registered Investment Advisor firms in order to get the RIA clients' business. The prototype fee structure for a firm like ours dropped from 2.5% to 1%...which is significant, to say the least. To fulfill the type of relationship we envisioned, our contract contained the following sentence in the third line of the first paragraph:

> *Advisor will be compensated by management fee only and held to a fiduciary standard, occupying a position of trust, and always putting the Client's interests first.*

This verbiage identified P&A as a fiduciary and separated us from the herd of stockbrokers we used to work with. We were different, proud, and had a story to tell. Since that time, regulators have made several passes at articulating the difference between a fiduciary advisor and a stockbroker. "Wall Street" has lobbied against such regulation and prior attempts were either rebuffed or watered down.

We thought it appropriate to share an article from Investment News titled "How the Biden administration can protect retirement savings." This article is an easy read, less than half a magazine page, without a lot of intimidating words. Although it cites failure by recent administrations, you should know that we have been critical of everyone since Nixon's day and would go back further had we been registered longer. We're just too young. Unfortunately, the end is not in sight. We welcome regulation that will even the playing field and remove the confusion that impacts the ability of investors seeking unbiased advice.

Our blog posts and quarterly letters will continue to keep you posted on victories and defeats in this effort.