

## Calm Amid the Chaos: Because We Were Prepared for DOL Years Ago

If other broker-dealers are talking about the Department of Labor (DOL) Fiduciary Rule and how difficult it will be to make “all the changes” needed, it’s likely they have other problems to deal with in addition to the DOL. It’s possible that their current situation with regulatory actions, shareholder issues, proprietary products, and other issues on top of the added DOL changes, will make it difficult for them to best serve your needs as a financial institution.

However, for broker-dealers like CUSO Financial Services (CFS) and Sorrento Pacific Financial (SPF) that have *always* been structured to act in the best interest of clients and financial institution investment programs, incorporating the DOL Fiduciary Rule requirements will be a seamless transition. We have already incorporated many key elements long before the DOL required them, including a best interest standard, non-proprietary products, disclosure documentation, and a product offering designed for fair and reasonable compensation. We don’t expect the dramatic changes that other firms are planning because we’ve already had these elements woven into our business processes for years.

As we approach our 20<sup>th</sup> anniversary for CFS, we look back on a long legacy of proud achievements such as an outstanding compliance record, many successful implementations of new regulatory requirements, numerous award-winning technology launches, and easy adaptations to industry changes. We are well prepared with clear and concise plans for implementing the requirements of DOL. And truthfully, we believe we are significantly ahead of our competitors in many areas.

**Stay focused:** Don't let other firms' scare tactics, borne of their own desperation, take you and your program off track. If you hear finger pointing from other firms you can be sure it is just another attempt to divert attention from their own problems. See examples below:

- <http://www.investmentnews.com/article/20160403/FREE/304039995/lpl-financials-problems-keep-piling-up>
- [http://www.investmentnews.com/article/20161011/FREE/161019980/lpl-financial-exploring-potential-sale-report?utm\\_source=BreakingNews20161011&utm\\_medium=email&utm\\_campaign=investmentnews&utm\\_visit=541402](http://www.investmentnews.com/article/20161011/FREE/161019980/lpl-financial-exploring-potential-sale-report?utm_source=BreakingNews20161011&utm_medium=email&utm_campaign=investmentnews&utm_visit=541402)

**Check the facts:** Remember the facts don’t lie. CUSO Financial and Sorrento Pacific are very proud of our outstanding compliance records. We encourage you to look up our names at this BrokerCheck link, then to do the same for other firms: <http://brokercheck.finra.org/Report/Download/51107145>. We believe our good compliance records are testament to our long-time focus on doing what’s best for investment programs and their clients.

**Use the resources and tools available to you:** It’s important to use the available tools and technology to adjust to the changes. Talk to us about DOL-related tools. Or, if you’re not a CFS/SPF program, talk to your broker-dealer. They should have resources available to help you create a quantifiable plan for next year. For example, here are a few of the tools we’re promoting now to our programs:

- Our DOL Corner – a website dedicated exclusively to the DOL Fiduciary Rule with monthly updates, explanations, timelines, and helpful resources;
- Our *Product Mix Transition Impact Calculator* – it’s helping advisors analyze their current book of business and identify what actions will best mitigate the short-term downsides of change to create an action plan for success in 2017;
- Production studies – to identify marketing opportunities to attract more prospective clients that need your help and replicate your best customers;
- AUM/Revenue studies – they identify advisor capacity issues and strategies for growth;

- Specific action plans – to offset potential revenue declines so you can take pro-active measures now to have stronger results in the future;
- And more!

CFS/SPF can help your financial institution fully understand how the DOL Fiduciary Rule will change the industry in 2017 and what that means for you and your clients. We're happy to share our many resources with you and your team. Give us a call today to learn more about us, and the many ways our programs are already prepared for the DOL Fiduciary Rule.