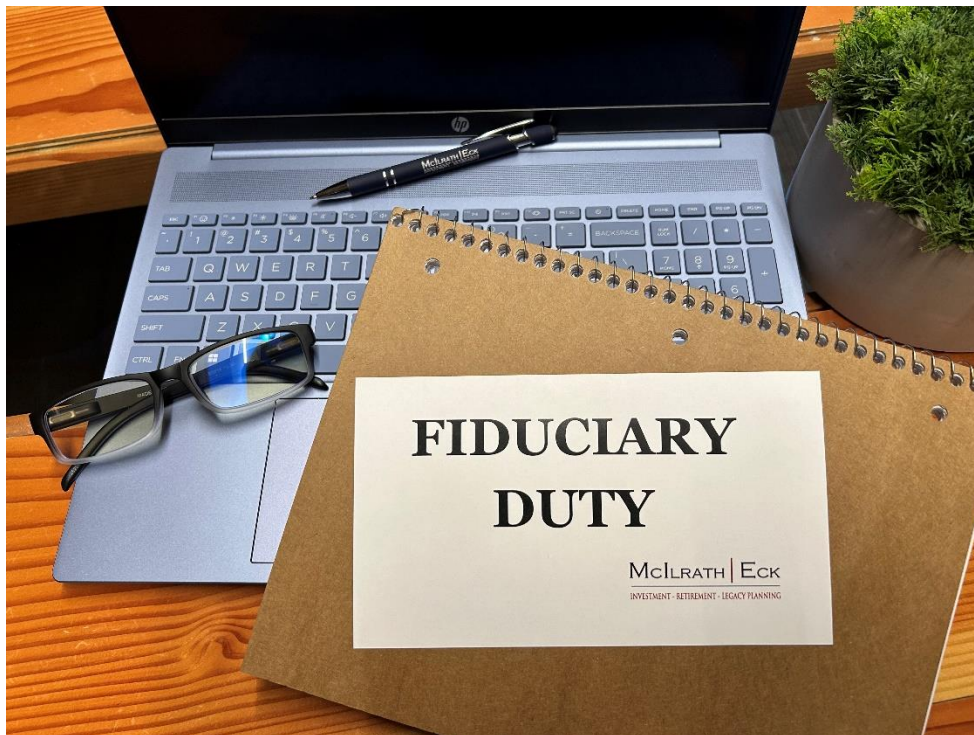


McILRATH | ECK

INVESTMENT - RETIREMENT - LEGACY PLANNING

June 25, 2024

**FIDUCIARY OBLIGATION:
PRIORITIZING YOUR BEST INTEREST**



Dear Valued Clients,

You may already be familiar with the responsibilities your Financial Advisor bears when managing your assets. Among these responsibilities lies the crucial concept of "Fiduciary Duty." In essence, this signifies that your

Advisor is legally obligated to act in your best financial interests, even when it does not align with theirs. It's not just a suggestion; it is a fundamental requirement. Essential to selecting the right Advisor is scrutinizing their commitment to integrity, loyalty, diligence, and care. Finding a Fiduciary, Fee-only Advisor helps address a lot of possible conflicts you might encounter.

Understanding Your Advisor's Compensation Structure

There are generally two categories of Advisors in the financial landscape, and your choice should be guided by an understanding of their compensation structures and associated conflicts of interest.

- **Broker/Dealer Advisors:** These advisors often earn compensation through a combination of fees and commissions, which can create conflicts as their primary obligation is merely to offer “suitable” products. Given their remuneration ties to product sales, their incentive to prioritize your best interests can often be compromised.
- **Fiduciary Advisors:** Conversely, fiduciary advisors operate with much fewer conflicts of interest. They typically receive compensation on a fee-only basis, devoid of hidden commissions or incentives. This transparent fee structure is widely regarded as the gold standard in client service, promoting a mutually beneficial relationship where both parties are incentivized to thrive together.

Our Commitment to You

Our firm is committed to upholding the utmost ethical standards in serving our clients. We take our Fiduciary duty seriously, never taking your trust in our custody of your assets for granted. Your financial well-being deserves the highest level of attention and care. And, we sincerely thank you for choosing us as your trusted financial partner and help in planning to help you achieve your financial aspirations. Your trust is invaluable, and we will continually strive to serve you with unwavering diligence, competence, and care.

Prioritizing your BEST financial interests means understanding the fiduciary obligations of your financial advisor and choosing one who operates with transparency, integrity, and your best interests at heart. We are honored to serve you on this journey towards financial success and security.

Upholding Shareholder Capitalism

In American ideals, prosperity embodies the freedom to earn, save, and spend money as one sees fit. Companies' responsibility to their shareholders and being profitable to survive have helped drive this over our history. However, shifting towards stakeholder capitalism threatens these fundamental pillars and it is, at a minimum, arguable that prioritizing shareholder's will have to still address the concerns of stakeholders to survive and prosper, especially in the interconnected world we live in today. But, a

prioritization of stakeholder interests doesn't create the same symbiotic ability to create wealth for shareholders and far too often creates a greater reliance on government and regulation to solve problems inefficiently at greater financial cost than what private people and business can achieve. No system is perfect, but our history as a country does shed a lot of light on how practically, not theoretically, shareholder capitalism is far more likely to raise the standard of living of all citizens of a country than more socialistic governing and corporate structures have achieved.

This is evidenced by recent findings from *The Wall Street Journal* shed light on a concerning reality: the average EU country lags behind nearly every U.S. state in terms of per capita wealth, with only Idaho and Mississippi trailing behind¹. The GDP per capita in the EU stood at a modest \$37,000, starkly contrasting with the robust \$76,000 in the United States as of 2022. Per the International Monetary Fund, over the past 15 years the U.S. economy experienced an impressive 82% growth, while the eurozone merely saw a 6% increase when measured in dollars². *The Wall Street Journal* highlights the struggles of European workers grappling with high inflation and escalating energy costs, making it increasingly challenging for them to support their families. Additionally, a comprehensive report from The European Centre for International Political Economy delves into the reasons behind Europe's lagging performance, citing factors such as diminished economic dynamism, reduced R&D investment, and elevated energy expenses compared to the United States³.

The trajectory these scholarly sources depict for everyday citizens in these countries does not align with our aspirations for our future. However, without a shift in direction, it may very well become our reality. We hope that we can achieve continued higher levels of American average standards of living than the rest of the world by continuing to promote freedom of thought and ability to earn, save, and spend.

Source:

1. Tom Fairless, "Europeans Are becoming Poorer. 'Yes, We're All Worse Off.'", *The Wall Street Journal*, July 17, 2023.
 2. "World Bank GDP Per capita European Union & United States," *The World Bank Data*, accessed Aug. 29, 2023.
 3. Fredrik Erixon, Oscar Guinea, and Oscar du Roy, "If the EU was a state in the United States: Comparing Economic Growth between EU and US States," *European Centre for International Political Economy*, July 2023.
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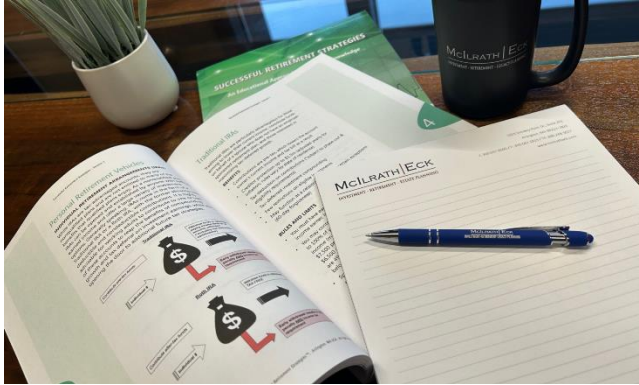
Our annual cider press party will be held on Friday - September 13th this year. We hope you can join us for delicious homemade cider, incredible food, wonderful company, door prizes, and more! You will not want to miss this event!

Save
the
Date



Successful Retirement Strategies™

Our spring classes have just finished up & new



classes will begin again in the fall. We will keep you posted when new dates are released. You can also check our website and Facebook for details.

[Class Schedule](#)



[McIlrath & Eck Facebook](#)

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INVESTMENTS AND FINANCIAL SERVICES



“My idea of planning for the future is programming the DVR.”



Referrals always welcome and appreciated.

We are very honored that a large percentage of our clients have come to us as referrals. It means a great deal that our clients trust us enough to share our information with their loved ones. We consider this to be the highest of compliments! If you have family, friends, co-workers or other acquaintances that you think could benefit from a meeting with us, we would be more than happy to sit down with them for a complimentary consultation to help them analyze their situation and set them on the right track towards a successful financial future.



[View the McIlrath | Eck introduction video here.](#)

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