

For Your Safety: Encryption and Verbal Confirmation Is Crucial

PDS makes it a standard practice to encrypt attachments to client emails that contain personal information. This includes Schwab account paperwork, portfolio reports, and a host of other items. We believe this is one of the best ways to secure sensitive information, and we are surprised to learn that 46% of advisors in the U.S. do not use this simple procedure. Ohio still has no requirement for advisors to encrypt a client's personally identifiable material. No doubt you have received emails from us that require an extra step to open. Rest assured we do this to secure your personal information.

In addition to encryption, PDS confirms all email requests for account withdrawals. Many of our clients have regular withdrawals set up. In most cases, these are automatically linked to existing bank accounts. Occasionally, however, we receive an email requesting a specific distribution. *We do not act on written or email requests from clients.* We will call to confirm the request is legitimate. If for some reason we do not recognize the voice, we may ask one or more questions to confirm client identity. We have had several instances of attempted fraud via email, and in each case our phone calls to clients have stopped the attempt.

More on The 2016 DOL Fiduciary Rule

A number of companies have sued the Department of Labor in order to stop the implementation of the new Fiduciary Rule. Forcing companies to "act in their clients' best interests", they say, will "make it much harder for individuals to save for retirement." PDS Planning has gladly assumed a fiduciary role with our clients since we were founded, and we have seen no proof where looking out for our clients hindered their ability to put away dollars for retirement. We believe the real reason the lawsuit exists is because the new rule makes it very difficult for salespeople to force high-commission annuities and other products on unsuspecting clients.

Technology Makes It Possible

Clients sometimes find it surprising that PDS now has clients in 28 states. Years ago, this would not have been practical. But with technology such as Join.Me, WebEx, GoToMeeting, that allows clients to remotely view our in-office screens, along with programs like Skype and FaceTime, where we can see each other, our long-distance relationships are certainly enhanced. Please don't be shy if you have questions about your plan or portfolio. We are more than happy to take a few minutes and connect with you wherever you may be.

Link to Quarterly Investment Webcast

The following link will take you to our July webcast, where you can listen and view the complete presentation at your leisure. Topics included the Brexit vote, interest rate expectations, the importance of global diversification, and the upcoming election. Feel free to share the link with a friend.

<http://pdsplanning.com/the-weekly/august-15/>

Upcoming Holiday Calendar

Please note the following holiday schedule.

Monday, October 10 – Columbus Day – Office will be open

Friday, November 11 – Veterans' Day – Office will be open

Thursday, November 24 and Friday, November 25 – Office Closed for Thanksgiving

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PDS Welcomes Tom Ellison



Tom Ellison

We are very pleased to announce that Tom Ellison has joined the PDS Planning team. Tom comes to us after fourteen years with Chase Bank and J.P. Morgan Private Bank, where he provided wealth management services to individuals, business owners, corporate executives, retirees, and trust clients. Tom graduated Westerville North High School, earned his Business Administration degree from Ashland University, and his M.B.A. from The University of Chicago Booth School of Business.

Tom's work at PDS will be focused on our expanding investment management services and meeting times with clients. He will be working closely with Bob Cochran and Kurt Brown. He lives in Westerville with his wife Kathy and sons Adam and Dean. Please be sure to meet Tom the next time you visit our office.

What's Happening At PDS?

PDS held our semi-annual company meeting at Sawmill Creek Resort on Lake Erie in July. Time was spent discussing enhancements and possible additions to our client services, and strategizing and planning for new technologies.

Kurt Brown was recently quoted in an article about rising interest rates from *U.S. News & World Report*.

PDS staff and their families enjoyed a barbecue dinner at the **Cochrans** in July. It is always good to spend time together away from the office that includes families.

Beth Campbell, Ciera Frazier, and Tom Ellison attended the annual Schwab Solutions seminar in August. The day was spent learning about new technologies that will allow us to enhance our client services.

Summer vacations for PDS staff include Lake

Seven Retirement Surprises

A recent Kiplinger article listed the following potential retirement surprises:

1. Some people miss work so much that they go out and get another job.
2. Retirement can be stressful, since decisions affect the rest of your life.
3. Spending "rules of thumb" can backfire. Each person is different.
4. Health care is really expensive, and more so if health is poor.
5. Relationships may get better, but leave time for being alone.
6. Time should be structured: new projects, volunteering, part-time work, exercise.
7. Debt can be a huge burden, since you may no longer earn a paycheck.



We established PDS CARES in 2015 as a charitable fund with the Columbus Foundation. This includes a matching program for our employees, designed to match the personal philanthropy of our employees, to forge a partnership of giving, and to invest in the well-being of the communities where our employees live. The match is for individual donations as well as hours spent working with non-profit organizations. As the banner in our office says, "Sometimes the best thing to do with your money is give it away."

Cumberland for **Kurt and Megan Brown**; Maine and New Brunswick for **Jim and Lynn Hamilton**; Arizona (home) for **Rita and Chris Itsell**; a Mediterranean cruise for **Laurie Licata**; and a Rhine River cruise for **Bob and Susan Cochran**.

Bob and Susan Cochran welcomed many visitors to their national Display Garden once again this summer.



Client Night At The Clippers Game

Ciera Frazier Joins PDS



Ciera Frazier

PDS welcomes our new principal securities trader and client services coordinator, Ciera Frazier. Ciera joined us in June, and she spends most of her time coordinating all client investment account paperwork and processing requests for withdrawals, distributions, and transfers. Prior to working at PDS, Ciera worked in mortgage loan services with both Huntington and Chase banks, as well as time with a local real estate appraisal company.

Ciera lives in Columbus with her husband Greg and two young daughters, Aniyah and Nevaeh.

If The World Were A Village Of 100 People

If we could reduce the world's population to a village of precisely 100 people, with all existing human ratios remaining the same, the demographics would look something like this:

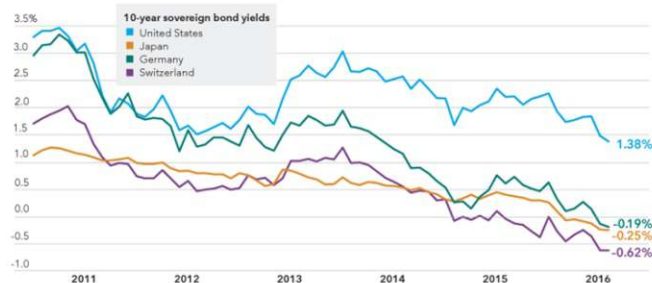
- The village would have 61 Asians, 13 Africans, 12 Europeans, 9 Latin Americans, and 5 from the USA and Canada
- 50 would be male, 50 would be female
- 75 would be non-white; 25 white
- 67 would be non-Christian; 33 would be Christian
- 20 would live in acceptable housing
- 84 would be able to read or write
- 50 would be malnourished, and 1 dying of starvation
- 33 would be without access to a safe water supply
- 39 would lack access to improved sanitation
- 76 would have electricity (And of those, most would only use it for light at night.)
- 87 people would have no access to the Internet
- 94 would not have a college education
- 1 would have HIV
- 2 would be near birth, 1 near death
- 5 would control 27% of the entire world's wealth
- 44 would live on less than US\$ 2 a day
- 18 would live on less than US\$ 1 a day

Source: Family Care Foundation

Crazy Interest Rates

So you think rates are too low? Take a look at the chart below from PensionPartners, and you will see that the U.S. is the only country with POSITIVE bond yields.

With Sovereign Yields Below or Near Zero Elsewhere, the U.S. Is a Relative High-Rate Haven



Source: FactSet. Yields are as of July 5, 2016.

Five years ago, if someone said that we would be seeing negative bond yields across most of the developed world, they would have been laughed out of the room. None of this was expected or predictable. And yet, here we are. That is the nature of markets. They are constantly testing our accepted notions of what is normal and what is possible.



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Stat Bank

- Percentage change in U.S. household debt in the six years leading up to the financial crisis: +98%. Change in the six years after: -3%
- Percentage change since 2000 in the U.S. divorce rate: -20%
- Number of investors with assets greater than \$100,000 who use social media to investigate their financial decisions: 5 million
- Percentage of U.S. households whose only retirement plan is employer-sponsored: 28%
- Percentage of individuals who make the maximum allowed contribution to their 401k plans annually: 11%
- Percentage of U.S. adults who have advance directives (better known as living wills): 26%
- Percentage of American adults who do not have a will or other estate plan in place: 55%
- Percentage of U.S. states where the highest-paid public employees are college sports coaches: 54%
- Ratio of bicycles to residents in Amsterdam, Netherlands: 2.3 to 1