In what other industry do we demand to see the seller's cost of every item we purchase? Must we know the grocery store's cost to make an informed decision as to whether we want to buy milk? Must we know the gas station's cost to make an informed decision as to whether we want to buy gas? No, we make those decisions based on perceived value. The milk buyer bases their decision not on the cost to the grocer, but on numerous other factors, perhaps the most important being the stores' convenient location. The muni bond investor has plenty of information on which to base a buy decision – yield, issuer, rating, years to maturity, quality of research provided by the registered rep, frequency of trades, etc. If they feel they are not getting a good deal they can take their business elsewhere, just as the buyer of a gallon of milk. To argue that a purchaser cannot possibly make an informed buying decision unless they know the seller's cost is to imply that an exact cost breakdown needs to be provided for every single product that is sold. More disclosure ALWAYS sounds like a good thing. Who could be against more disclosure unless they are doing something nefarious which must be hidden from the public? But if more disclosure leads to unnecessary adversarial confrontations does the client benefit? If clients are so inundated with disclosure that they ignore it all and truly are taken advantage of, is the unethical behavior "all good" because it was disclosed somewhere in the fine print? If the registered rep says that selling individual bonds is not worth the hassle, and offers bond mutual funds as the only fixed income option, did the investor come out ahead? Ever more disclosure is not a panacea for the ills of society and can lead to some very negative unintended consequences. There are plenty of bad players and bad practices for regulators to focus on. There is no need to create a problem where none existed simply to earn credit for solving it.

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