



Questions to Ask a Financial Advisor

Interviewing potential advisors is absolutely appropriate; this list of questions will help you identify an appropriate, well-qualified advisor who is committed to standards of ethical and professional conduct.

About Qualifications and Expertise

- What are your professional qualifications and experience?
- What is your educational background?
- What licenses and/or certifications do you hold?
- Do you have any ongoing continuing education requirements?
- What services do you offer? For instance: retirement planning, investment planning, tax and estate services, insurance, etc.?

To Make Sure That Advisor Is Properly Registered with the Appropriate Authorities

- With what regulatory authority are you or your firm registered?
- Are you and your firm licensed to sell securities or do business in this jurisdiction?
- Are you a registered investment advisor? Or a registered broker dealer? Both?
- May I have a copy of your firm's form ADV or other registration documentation?
- How long has your firm been in business?
- How long have you worked for this firm?
- What is your employment history in the investment industry?

Ethical and Professional Standards

- Have you ever been disciplined for unlawful or unethical actions in your professional career?
- Are you a member of any professional association?
- Do you adhere to a code of ethics or standards of professional conduct? Can I see a copy?

Client Related Questions

- What is your typical client profile?
- Do you have clients similar to me?
- How long have you been a financial advisor?
- How many clients do you handle personally?
- How many clients have left you in the past one to five years?
- What is your firm's client turnover rate?
- How many clients does your firm have now compared with five years ago?
- How has your firm handled changes in its client base?

Questions to Ask a Financial Advisor (continued)

To Establish a Strong Relationship with the Advisor

- Will you work correctly with me, or will I be working with others on your staff?
- How often will you communicate with me?
- What regular reports will I receive?
- Are you willing to make adjustments as my needs change?
- If I need special expertise, will you recommend someone?
- Will you consult with others?
- Do you have any questions for me?

For an Understanding of the Advisors Compensation and Potential Conflicts of Interest

- How are you paid? Salary, commission, fee, other?
- Do you make commissions on the products you sell?
- Do you receive any compensation from other individuals/organizations in addition to the amounts that I would pay you?
- Do you have an affiliation with any company whose products you recommend?
- Do you have any affiliations or business relationships with broker/dealers or other colleagues or agent who you may refer me to?
- Do I have a choice as to how you will be compensated?
- What are the total fees I will pay under your compensation arrangements?
- Is your compensation arrangement negotiable?
- What other fees and costs can I expect during this course of my investing with you? For instance, what are typical startup, transfer, transaction, or closure costs?

About the Advisors Investing Approach

- What is your investment management approach?
- How long have you been using this approach to manage assets?
- How does your approach help me reach my investment objectives?
- What is your performance history?

Miscellaneous

- Do you provide a written client agreement and/or service contract? If not, why not?