

Choosing a Financial Planner — Questions to Ask!

A qualified financial planner can help you address a multitude of issues and concerns so you are able to achieve your financial goals. He or she is someone who can:

- Help you set realistic financial and personal goals;
- Assess your current financial health by examining your assets, liabilities, income, insurance, taxes, investments and more;
- Assist you in developing a comprehensive plan by addressing financial weaknesses and building on financial strengths;
- Put your plan into action and monitor its progress;
- Help you stay on track to meet changing goals, personal circumstances, stages of your life, products, markets and tax laws.

But when it comes to selecting a financial planner it's important to make sure the he or she is someone who is a good match for you, so it's imperative that you ask the right questions.

The following questions are recommended by the Financial Planning Association® (FPA®). Each will help you as a BCSP certification holder better understand a financial planner's background, knowledge, experience, and competency. When you're ready, be sure to visit www.PlannerSearch.org/BCSP to begin your search for your financial planner and receive your 20% discount on the first-year financial planning fee.

Designations and Licenses

1. What licenses do you hold?
2. Are you personally licensed or registered as an investment adviser with which state(s) and/or federal government?
3. If yes, how are you going to tell me when you are acting as a sales agent of the brokerage firm and when you are acting as an investment adviser?
4. Is your firm licensed or registered as an investment adviser with which state(s) and/or federal government?
5. Will you provide me with your disclosure document Form ADV Part II or its state equivalent?
6. Will you provide me with a written disclosure detailing any disciplinary history for you or your firm?

Education

7. What are your educational qualifications?
8. What financial planning designation(s) or certification(s) do you hold?
9. What financial planning continuing education requirements do you fulfill?

Experience

10. Do you have experience in providing advice on the following topics? If yes, indicate the number of years.

- a. Retirement Planning
- b. Investment Planning
- c. Tax Planning
- d. Estate Planning
- e. Insurance Planning
- f. Comprehensive Planning
- g. Education Planning
- h. Business Planning
- i. Other

11. What are your areas of specialization?

12. What qualifies you in this field?

13. How long have you been offering financial planning advice to clients?

14. How many clients do you currently have?

Fees and Compensation

15. How Does the Client Compensate You (e.g., Fee-Only, Commission-Only or Fee and Commission)?

16. What do you typically charge?

a. Fee:

Hourly rate \$ _____

Flat fee (range) \$ _____ to \$ _____

Percentage of assets under management: _____ percent

b. Commission – What is the approximate percentage of the investment or premium you receive on:

Stocks and Bonds: _____

Mutual Funds: _____

Annuities: _____

Insurance Products: _____

Other: _____

17. Do you have a business affiliation with any company whose products or services you are recommending?

18. Is any of your compensation based on selling products?

19. Do professionals and sales agents to whom you may refer me send business, fees or any other benefits to you?

20. Is the account that you are offering an "advisory account," or is it a "brokerage account" exempt from investment adviser registration?
21. If it's a brokerage account, are you required under law to act as a fiduciary by always placing my interests first?
22. Regarding any brokerage account that I may open, what are the potential conflicts of interest that you have when recommending certain products for sale to me, and how will you disclose these to me prior to purchase, including any special cash payments or incentives that you receive?
23. Are you an owner of, or connected with, any other company whose services or products I will use?
24. Do you provide a written client engagement agreement?

General

25. How might you address my particular needs?
26. How often will my plan be updated?
27. Are you affiliated with any professional associations?

Services and Work Philosophy

28. What services do you offer?
29. Describe your approach to financial planning.
30. Who will work with me?
31. Will the same individual(s) review my financial situation?
32. What type of clients do you serve?
33. Do you have a minimum net worth or income requirement?
34. What kind of services can I expect?

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