



TEN KEY QUESTIONS TO ASK OF YOUR INVESTMENT PARTNER

Engaging a financial partner who understands you is one of the best things you can do for yourself. But finding that person can be overwhelming. Consider the stakes: a long-term relationship with someone privy to your personal and financial life. Viewed in that light, making sure you have the best match is worth it. Here are some key questions to ask to ensure you're paired with the optimal advisor for you:

[1] DOES THE ADVISOR REPRESENT A FIRM THAT SERVES AS A FIDUCIARY? WILL THEY PUT THAT IN WRITING?

- Besides money management, some firms engage in investment banking, underwriting, insurance, and lending.
- These activities may lead to potential conflicts.
- If that makes you uncomfortable, work with a firm solely focused on investment advice.

[2] DOES THE ADVISOR PROVIDE UNCONFLICTED RESEARCH?

- Most established firms conduct research, but it's not always independent.
- Choose someone who will operate in your best interests through all market cycles.

[3] WHAT KIND OF SERVICES DOES THE ADVISOR OFFER AND HOW ARE THOSE SERVICES CUSTOMIZED?

- Everyone has different aspirations for their wealth (e.g., managing stock options, creating a charitable legacy, solving complex planning issues).
- Does the advisor begin with your personal priorities—instead of a one-size-fits-all approach marketed to everyone?

[4] WHAT KIND OF RESOURCES DOES THE ADVISOR MARSHAL ON YOUR BEHALF?

- Small boutiques are renowned for their personal service, but often lack scale and expertise.
- Bigger doesn't always mean better, but it does lend a global perspective and allows the advisor to tap other specialists more readily on your behalf.

[5] HOW OFTEN DOES THE ADVISOR MEET WITH THE PORTFOLIO MANAGERS WHO ACTUALLY MANAGE YOUR MONEY?

- Outsourcing to different managers may seem like a good idea, but it usually ends up with uncoordinated investments that resemble an index.
- Make sure your advisor has direct access to the decision makers, not marketers.

[6] HOW DOES THE ADVISOR ADD VALUE ON THE BACK END? WHEN TRADING DECISIONS ARE MADE, HOW IS YOUR TAX PROFILE TAKEN INTO ACCOUNT?

- Techniques like dynamic risk management, continuous rebalancing, and avoiding security overlap can add to the bottom line.
- Taxes play a significant role, too; ensure they're addressed with every trade in your portfolio, not just at year-end.

[7] IS YOUR ADVISOR FEE-AGNOSTIC? ARE ALL FEES DISCLOSED? ARE PERFORMANCE-BASED FEES OFFERED?

- Some advisors offer all-inclusive fees with no additional costs for advisory services, custody, or commissions. Others include tax management, risk management, planning, and analysis.
- A choice between fixed fees based on your portfolio's value—or performance-based fees aligned with returns—is ideal.

[8] HOW DO YOU AND YOUR ADVISOR WORK TOGETHER DAY TO DAY? IS THE CLIENT EXPERIENCE CUSTOMIZED BASED ON YOUR PREFERENCES?

- Open and frequent communication is essential, but so is listening.
- Work with an advisor who is willing to customize his or her approach based on your preferences—whether phone, e-mail, or face-to-face—and at a frequency that makes you feel both appreciated and understood.

[9] HOW DOES THE ADVISOR EDUCATE YOU ON YOUR INVESTMENTS?

- Top firms offer mobile access to your account, plus online research, blogs, and podcasts on capital markets and investment themes.
- Do you want opportunities to hear from investment professionals, tax and estate planning experts, and other like-minded clients, too?
- Above all, choose someone who will clarify the complexities of investing, not confuse you. If an advisor makes you feel inadequate or invisible, find a different one.

[10] DOES THIS PERSON FEEL LIKE A GOOD FIT FOR YOU?

- Asking yourself this general “catch-all” helps gauge your overall impression.
- Make sure that whomever you work with, he or she puts your needs first.
- Before asking questions, consider the ideal answers you'd like to hear. That way you'll be able to assess who is suitable while quickly identifying what matters most.