

# TIPS FOR SELECTING A FINANCIAL ADVISOR

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You want a financial expert you can trust to help you invest your retirement assets. Every advisor you talk to claims to be a trustworthy financial expert. Are they telling the truth or is their undocumented claims part of a deceptive sales pitch?

## Four Challenges

*Let's start with the challenges that you face when you select a financial professional:*

- Advisors do not have mandatory disclosure requirements. They can tell you what they want you to hear and they can withhold what they don't want you to hear
- Advisors do not provide legitimate tracks records that document past performance
- Many advisors use sales tactics and undocumented claims to convince you they are ethical experts
- There is no easy way to validate the accuracy of their claims



**It's a fact! You will make better decisions when you control information.**

## Four Responsibilities

You are responsible for making the right selection decision. It's your money. Therefore, you must:

- Ask the right questions
- Know good answers (benefit you) from bad ones (damage you)
- Validate the accuracy of advisor information
- Minimize the impact of their sales skills and pitches

You have to commit some time. But, it will be worth it. You will have a lot more money later.

## The Shortcut

There is a shortcut that can save you time and reduce your risk of making a mistake. Follow these five time-tested, Paladin tips.

### 1. Local Advisory Firm

Yes, you have seen their advertisements on TV, but big firms are rarely your best choice. They have too many conflicts of interest. You are better served if you select a Registered Investment Advisory firm (RIA) that is headquartered in your community. Or, select an Investment Advisor Representative (IAR) who is registered with a local RIA.

### 2. Personalities

Don't select advisors based on personalities that have nothing to do with their competence and ethics. The advisor with the best personality usually has the best sales skills. You don't want a salesperson investing your assets. Select the advisor with the best qualifications: Credentials, ethics, business practices, and services.



### 3. Fiduciary

Select an advisor who is willing to acknowledge he/she is a financial fiduciary in writing. Fiduciaries are held to the highest ethical standards in the financial service industry. They are required to put your financial interests ahead of their own. Investment salespeople are held to a much lower, worthless standard.

### 4. Fee for Service

You should compensate financial advisors the same way you compensate other professionals (CPAs, attorneys) for specialized knowledge, advice, and services. You pay them a fee for specific ongoing services that help you achieve your financial goals. Make sure they document the services they provide and hold them accountable for results.



## 5. Compliance Records

Never select a financial advisor without checking his or her compliance record at FINRA's website. Ask the advisor for his/her CRD number to access his/her FINRA report. Avoid advisors who have a history of client complaints, firm terminations, and regulatory suspensions.



### Next Steps.....

If you already know some advisors use these Five Tips to make the right decision. If you don't know any high quality advisors or you want additional choices go to Paladin Registry.

**Our experts have already vetted financial advisors for you!**

### About the Author

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