

# Choose A Financial Advisor Who Puts Your Interests First

By  
Michael Stevenson

Given that your future depends on how well you save and invest your money, you may recognize the need for professional help. But whom should you turn to?

Do you need a financial advisor or a stockbroker? An investment advisor or a financial planner? And do those initials after the person's name mean anything?

There are good reasons to seek help from a professional who will not only make investments for you, but help you plan your finances. Businesses develop plans annually, because they recognize that they cannot achieve goals if they don't set goals. The same is true for people.

Stockbrokers may have more in-depth knowledge of the stock market than the typical financial advisor, but they do not offer financial planning. If you want help planning your finances, you will need a financial planner or a financial advisor.

Financial planners and advisors typically provide retirement planning, college planning, estate planning and sometimes tax planning. They develop investment portfolios for their clients based on each client's financial goals, tolerance for risk and the number of years they have to achieve each goal. They also meet regularly with clients to update their financial plans.

Financial planners also typically review insurance needs to make certain you are not only accumulating the wealth you will need to achieve your goals, but protecting your wealth.

## *Narrowing Your Search*

Once you have a general idea of the type of professional you want, you can narrow your search based on criteria such as the following:

**Trust.** If you are giving someone your life savings, your top priority will be to ensure that you trust that person. Ask for references, not only from clients, but from other professionals. Ask whether he or she has ever been cited for regulatory violations.

**Experience.** You don't want to retain someone to learn to invest with your money. Look for designations such as certified Financial Planner (CFP®) or Chartered Financial Consultant (ChFC). Study for CFP® and ChFC designations concentrates on the key knowledge needed to develop a comprehensive financial plan.

**Fees.** Most financial professionals make their money from commissions. Some charge fees, and others charge a combination. Fees may be based on a flat fee, an hourly fee or a percentage of assets.

Even if you are charged a fee for managing your investments, there may be other fees, so be certain to ask about all costs. Additional expenses may include trading commissions, mutual fund fees, custody fees and even hidden charges that kick in if you move your account elsewhere.

**Suitability.** Whoever you retain should typically work with individuals whose financial circumstances are similar to yours. Some advisors work only with "high-net-worth" clients; others work with investors of more modest means. If you have only a small amount of money to invest, you won't attract the interest of an advisor who focuses on high-net-worth clients.

All investment professionals should have the same objective – achieving your financial goals with the least amount of risk. To achieve this objective, the professional who manages your money must put your interests first.

*Michael Stevenson is a representative with the John Hancock Financial Network, 9665 Chesapeake Drive, Suite 401, San Diego, CA 92123 and can be reached at 858-278-1232 or [mstevenson@jhnetwork.com](mailto:mstevenson@jhnetwork.com).*

Insurance products offered through John Hancock Life Insurance Company, Boston, MA 02117  
Registered Representative/Securities offered through Signator Investors, Inc., Member NASD, SIPC.

*The information presented is for informational purposes only. It is not intended to replace the need for independent tax, accounting, or legal review. Individuals are advised to seek the counsel of such licensed professionals to review their personal situation.*