

## REGULATORY COMPLIANCE

Federal and state laws require that, under most circumstances, individuals or firms holding themselves out to the public as providing investment advisory services are required to be registered with either the U. S. Securities & Exchange Commission (SEC) or the regulatory agency of the state in which the individual/firm conducts business.

I (or my firm) is registered as an Investment Advisor  
 With the SEC  
 With the state of \_\_\_\_\_

Please provide your Form ADV Part II or brochure being used in compliance with the Investment Advisors Act of 1940.

If not registered with either the SEC or any state, please indicate the allowable reason for non-registration.

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Signature of Planner: \_\_\_\_\_

Firm Name: \_\_\_\_\_

Date: \_\_\_\_\_



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*Advancing the Practice of Fee-Only Financial Planning*



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## BACKGROUND & EXPERIENCE

The backgrounds of financial planners can vary as much as the services offered. The planner's education and experience should demonstrate a solid foundation in financial planning and a commitment to keeping current.

What is your educational background?  
 College degree \_\_\_\_\_  
*Area of study:* \_\_\_\_\_  
 Graduate degree \_\_\_\_\_  
*Area of study:* \_\_\_\_\_

What are your financial planning credentials/designations and affiliations?

- NAPFA Registered Financial Advisor (60 hours continuing education every 2 years)
- Certified Financial Planner (CFP) (30 hours continuing education every 2 years)
- Chartered Financial Consultant (ChFC) (30 hours continuing education every 2 years)
- Certified Public Accountant/Personal Financial Specialist (CPA/PFS) (60 points every 3 years)
- Financial Planning Association (FPA) (continuing education not required)
- Other: \_\_\_\_\_

Will you provide me with references from other professionals?  
 Yes  No

If no, explain \_\_\_\_\_  
 \_\_\_\_\_

Have you ever been cited by a professional or regulatory governing body for disciplinary reasons?

- Yes  No
- If yes, explain \_\_\_\_\_  
 \_\_\_\_\_

Describe your financial planning work experience or attach your resume.  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

How long have you been offering financial planning services?

- Less than 2 years
- 2-5 years
- 5-10 years
- More than 10 years



## How to Choose A Financial Planner

*Tough Questions To Ask*

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This form was created by the National Association of Personal Financial Advisors (NAPFA) to assist consumers in selecting a personal financial planner. It can be used as a checklist during an interview or sent to prospective planners as a part of a preliminary screening. NAPFA recommends that individuals form at least two different firms be interviewed.

## BUSINESS PRACTICE

How many clients do you work with?

Are you currently engaged in any other business, either as a sole proprietor, partner, officer, employee, trustee, agent or otherwise? (Exclude non-investment related activities which are exclusively charitable, civic, religious or fraternal and are recognized as tax-exempt.)  
 Yes  No

If yes, explain: \_\_\_\_\_

Will you or an associate of yours work with me?

- I will  
 An associate will  
 We have a team approach

If an associate will be my primary contact, complete questions 1-7 in the Background & Experience section for each associate as well.

Will you sign the Fiduciary Oath below?

- Yes  No

### FIDUCIARY OATH

The advisor shall exercise his/her best efforts to act in good faith and in the best interests of the client. The advisor shall provide written disclosure to the client prior to the engagement of the advisor, and thereafter throughout the term of the engagement, of any conflicts of interest which will or reasonably may compromise the impartiality or independence of the advisor.

The advisor, or any party in which the advisor has a financial interest, does not receive any compensation or other remuneration that is contingent on any client's purchase or sale of a financial product. The advisor does not receive a fee or other compensation from another party based on the referral of a client or the client's business.

Do you have a business continuity plan?

- Yes  No

If no, explain: \_\_\_\_\_

## COMPENSATION

Financial planning costs include what a client pays in fees and commissions. Comparison between advisors requires full information about potential total costs. It is important to have this information before entering into any agreement.

How is your firm compensated and how is your compensation calculated?

- Fee-Only (as calculated below)  
 Hourly rate of \$ \_\_\_\_\_/hour

Flat fee of \$ \_\_\_\_\_

- Percentage \_\_\_\_\_% to \_\_\_\_\_% of \_\_\_\_\_  
 and/or other products that clients buy from a firm with which you are associated.

- Fee and Commissions (fee based)  
 Fee Offset, (charging a flat fee against which commissions are offset.) If the commissions exceed the fee, is the balance credited to me?  
 Yes  No

Do you have an agreement describing your compensation and services that will be provided in advance of the engagement?

- Yes  No

Do you have a minimum fee?

- Yes  No

If so, explain: \_\_\_\_\_

Are there financial incentives for you to recommend certain financial products?

- Yes  No

If so, explain: \_\_\_\_\_

If you earn commissions, approximately what percentage of your firm's commission income comes from?

\_\_\_\_\_ % Insurance products

\_\_\_\_\_ % Annuities

\_\_\_\_\_ % Mutual funds

\_\_\_\_\_ % Limited partnerships

\_\_\_\_\_ % Stocks and bonds

\_\_\_\_\_ % Coins, tangibles, collectibles

\_\_\_\_\_ % Other: \_\_\_\_\_

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\_\_\_\_\_ % Other: \_\_\_\_\_

## SERVICES

Financial planners provide a range of services. It is important to match client needs with services provided.

Do you offer advice on: (check all that apply)

- Goal setting  
 Cash management & budgeting  
 Tax planning  
 Investment review & planning  
 Estate planning  
 Insurance needs in the area of life, disability, long-term care, health and property/casualty  
 Education funding  
 Retirement planning  
 Other: \_\_\_\_\_

Do you provide a comprehensive written analysis of my financial situation and recommendations?

- Yes  No

Does your financial planning service include recommendations for specific investments or investment products?

- Yes  No

Do you offer assistance with implementation with the plan?

- Yes  No

Do you offer continuous, on-going advice regarding my financial affairs, including advice on non-investment related financial issues?

- Yes  No

Do you take custody of, or have access to my assets?

- Yes  No

If you were to provide me on-going investment advisory services, do you require "discionary" trading authority over my investment accounts?

- Yes  No

*Please Note: A yes or no answer requiring explanation is not necessarily a cause for concern. We encourage you to give the advisor an opportunity to explain any response.*