

SPECIAL REPORT

The 7 Critical Questions to Ask **Before** Hiring

A Financial Advisor or Financial Planner
(or to ask your **current** advisor)

Make Sure You Are Receiving Advice in
YOUR best interest, NOT Theirs!

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Introduction

“Many people, even wealthy people, wind up with an advisor through a social relationship, family friend or even through a solicitation by mail or on the phone. I urge you to re-think these relationships, read the report, then go back and ask some hard questions of your advisor.”

WHY YOU NEED TO READ THIS SPECIAL REPORT

Let’s face it, choosing a financial planner or investment advisor isn’t something most of us have much experience with. Yet, it can be a critical decision both for you, your spouse and your family. The appropriate advisor, one who is both knowledgeable and aligned with your goals, can help make a very complicated part of your life less complex.

He or she can be a long term family confidant and even the quarterback of your financial life. However, he/she can also be just a good salesperson who says some things that sound good, yet may not wind up in your best interest.

Many people, even wealthy people, wind up with an advisor through a social relationship, family friend or even through a solicitation by mail or on the phone. I urge you to re-think these relationships, read the report, then go back and ask some hard questions of your advisor. If it turns out they are the best advisor for you, then fine, at least you’ll know you made an informed decision. If not, look elsewhere.

HOW CAN YOU KNOW WHAT TO LOOK FOR?

That’s the question many, or even most, wonder about. That’s why I wrote this special report. In it you will find questions that I believe will help you make a more informed and educated decision on who to trust with your wealth management.

Some will feel uncomfortable putting an advisor “on the spot” with questions. Baloney! It’s your money - your family’s wealth. Just like you have every right to ask questions of your doctor, your attorney, CPA , whomever you are paying to provide a service, you should ask questions of any financial advisor you consider entrusting your money to.

IT’S YOUR MONEY! ASK AWAY!

Lastly, in questions #1 and #2 in the report I help you distinguish between different types of advisors and hopefully help you uncover advisors with a troubled past before it’s too late. I urge you to fully read and understand both these questions and possible answers. Yes, I want you to read the entire report, but much of what follows has its roots in those first two questions. Read and then ask questions #1 and #2 !

*Thanks for reading this special report.
Please provide feedback on the report to
www.hamiltonwealthmanagement.com.*

Question #1:

“Again, the IAR or Broker question isn’t one that should be hard for any honest advisor to answer. They will either be acting as one or the other for each client account and, very clearly, you need to know which it is.”

Question #2:

FINRA Broker Check
Check it out!
www.finra.org
For IAR’s ...
adviserinfo.sec.gov

DO THEY HAVE A LEGAL OBLIGATION TO PUT YOUR BEST INTEREST FIRST ? ARE THEY A BROKER OR AN “INVESTMENT ADVISOR REPRESENTATIVE”(IAR)?

Seems like this would be an easy one... obviously your advisor should work in your best interest, right? Unfortunately, this may not always be the case.

Ask if he accepts the “fiduciary standard” of an IAR OR the “suitability standard” of a broker. There is a big difference (see below). This is a very clear and objective differentiation - expect a very clear answer. Don’t accept double-talk or excuses!

The last part of this question - are they acting as a Broker or an RIA/IAR may be new terminology to some , but it’s a very specific distinction within the wealth management industry.

As an Investment Advisor Representative (IAR) an advisor and his firm are required by industry regulations to always act in the best interest of the client; to adhere to the “fiduciary standard” in their planning and investment management with each client. When acting as an IAR the advisor will typically charge a management fee.

As a Broker - When acting as a Broker, the advisor is typically compensated based on the securities and products they sell to their clients, which varies from product to product. The broker is required to recommend products that are “suitable” for the client. This means what is suitable for the client based on items such as their time horizon, financial situation, risk tolerance, investment experience, objectives, tax status, liquidity needs, age and more.

Again, the IAR or Broker question isn’t one that should be hard for any honest advisor to answer. They will either be acting as one or the other for each client account.

ASK. Expect a clear, specific answer. Period.

DO THEY HAVE ANY HISTORY OF DISCIPLINARY ACTIONS? CUSTOMER COMPLAINTS? FINES?

Again, you may be surprised that many individuals and firms offering financial advice have a record of fines, complaints and other disciplinary issues. **Clearly, you need to know *this* before turning your hard earned life savings over!**

Fortunately, you can check this out yourself using the industry regulating body’s own website, www.finra.org. **Just go to the BrokerCheck link at finra.org** and enter an individual and/or firm’s name and read the full report.

IAR’s can be checked at : www.adviserinfo.sec.gov

Question #3:

“Look at the overall cost of creating and implementing a plan.”

Question #4:

“An advisor should clearly express their expectations of you during the process.”

DO THEY CHARGE A FEE FOR FINANCIAL PLANNING OR A COMMISSION FOR SELLING SECURITIES PRODUCTS?

Let's be honest here - we all want to get something for nothing. But let's also be logical - **do highly qualified professionals in any field work for free?** The best sure don't.

Sometimes, financial advisors, who also claim to help you with financial planning, may claim the planning is “free”. Ask yourself if this makes sense to you.

Look at the overall cost of creating and implementing a plan. You may find that an advisor who charges more for the comprehensive upfront plan may not be more expensive overall due to a different fee structure for investment management. Ask!

WHAT COMMITMENTS ARE THEY MAKING TO YOU? WHAT COMMITMENTS DO THEY EXPECT FROM YOU?

This is a great one. **An advisor should clearly express their expectations of you during the process.**

Think about it... say you hired a fitness coach to help you get in shape and the coach didn't explain upfront what your commitment had to be to attain success. Would you think that coach was truly interested in your results or just out to get a fee? Same here.

You also deserve to know what commitments they have to you in the process. **This should be clear and should not include any promises on things the advisor can't control, such as market returns** or future health.

Question #5:

“Any “advisor” who feigns taking offense to being asked to explain the fees, commissions and investment management costs to a client is, in my opinion, a very bad choice - look elsewhere.”

HOW DO THEY GET PAID? WHAT ARE THEIR FEES? DOES THEIR COMPENSATION VARY DEPENDING ON WHAT PRODUCTS THEY SELL YOU?

Let me say this very bluntly - only a fool would purchase a service and have no idea how much they are paying and to whom. Yet, in the financial sales business this happens all the time. Don't be a fool....ask about fees, commissions and investment management expenses. Ask, and expect the open, willing answer you deserve.

I know that's harsh, but I am passionate about open disclosure of fees, commissions and hidden costs and I think you should be also. **Any “advisor” who feigns taking offense to being asked to explain the fees, commissions and investment management costs to a client is, in my opinion, a very bad choice - look elsewhere.** Attorneys, CPAs, Business Consultants, and other professionals disclose their fees and any conflicts of interest, financial advisors and companies should as well.

Now, I'm not saying you need to find the lowest cost advisor, certainly not. What I am saying is **your advisor's fee structure should be open, transparent and demonstrate that they work for you first.**

There are several different fee models advisors use, and it can get quite confusing. Here is a brief summary of several models so you can better understand this question and the answers you may get from potential advisors.

Commission Model: The commission model compensates the advisor/broker based on your buying and/or selling certain investments or products. The advisor's compensation will vary based on which investment products you buy or sell through him or her. **Typically, under the commission based model, the advisor is using the “suitability standard” previously discussed.**

Fee Only Model: In the fee only model a planner will charge a fee, either a flat fee or hourly, to provide a financial plan for you. The fee is determined by the complexity of the situation and other factors.

Asset Based Fee Model: (sometimes called “fee-based” model) In this model the advisor will charge a percentage of assets managed fee to manage your account(s). The percentage can be fixed or a sliding scale that has a lower % fee as assets managed increases. The model aligns with the client's best interest.

Question #6:

“Many aspects of managing wealth can be quite complicated - that’s probably why you hire an advisor in the first place.”

Question #7:

“Any advisor who presents eye-popping past returns and indicates you’ll experience something similar is to be avoided.”

What is their experience in the industry? What is their Educational Background?

Do you want an inexperienced advisor with a fancy brochure and smooth sales pitch overseeing your family’s wealth? That’s up to you I guess, but it’s certainly a critical piece of information.

How long has she been advising clients? Where did she go to college and what degree does she have? Would you prefer to work with a financial advisor who has shown a proficiency with math and critical thinking or one who studied sales and marketing?

Many aspects of managing wealth can be quite complicated - that’s probably why you hire an advisor in the first place. Some people are better with numbers, technical planning issues and the like than others.

Your money.... **your choice!** Ask about their education and experience.

What type of Performance should I Expect?

OK, admit it... you expected the “performance question” much sooner in the list, right? Well, that’s OK, most people believe the wealth management business is all about comparing performance.

However, there’s one big problem with using this as a selection criteria. What matters to your future wealth is future performance - not the past. Yet it’s impossible to accurately predict future returns, and future returns cannot be based on past performance. So what can you ask a potential advisor regarding performance that is useful?

My advice is to ask what benchmarks their performance will be gauged against and how this fits your needs. Also, have your RADAR on alert : Any advisor who presents eye-popping past returns and indicates you’ll experience something similar is to be avoided. One common “ingredient” in many investment scams is a promise of “too good to be true” returns, with low risk. **Run, don’t walk, away!**

**Please see
special offer
on back page.**

SPECIAL OFFER

“As a “Thank You” for reading this report, we offer you a no-charge initial assessment meeting. The purpose of this meeting is to help determine if Hamilton Wealth Management and Mr. Hamilton might be a good fit for your financial planning and wealth management needs.”

Contact our office at:

(585) 381-9870

WHAT SHOULD YOU DO NOW?

I hope and trust you found this Special Report of value in helping you consider who to work with as a wealth manager or financial advisor. This can be a critical decision, influencing many aspects of your family’s financial future. Please don’t take this decision lightly or make an uninformed decision.

OUR NO-CHARGE INITIAL ASSESMENT OFFER

As a “Thank You” for reading this report, we offer you a no-charge initial assessment meeting. The purpose of this meeting is to help determine if Hamilton Wealth Management and Mr. Hamilton might be a good fit for your financial planning and wealth management needs.

Please understand that you will be meeting with Mr. Hamilton who is the President of the firm. Mr. Hamilton has a very busy schedule advising current clients, preparing for and hosting a radio show and overseeing the firm’s asset management process. We will set your appointment for the earliest available time.

If you have a more urgent need, such as a financial decision that needs to be made in the next two weeks, we can set your initial assessment with another advisor at Hamilton Wealth Management to get the process started. Mr. Hamilton will then review the situation himself and advise you accordingly.

To schedule your no-charge initial assessment please call our Fairport, NY office at : **(585) 381-9870**

Or visit our website and use the “Contact Us” option.

www.hamiltonwealthmanagement.com

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