



## Advice on Finding Financial Advice

By - Rick Mayes

A recent series of articles by Lynn O'Shaughnessy in the San Diego Union-Tribune provide some excellent advice on selecting an advisor to best serve your financial interests. Here's a summary of Lynn's recommendations, with links to the complete articles.



**First, Lynn recommends finding someone who is a Fiduciary**, and staying away from brokers who are not held to this standard. "A fiduciary ... only recommends investments that are in an investor's best interests ... discloses all his or her fees. The Investment Act of 1940 obligates registered investment advisers to behave as fiduciaries." On the other hand, "a broker's first loyalty is to his or her employer." *Read the article here.*

**Next, she recommends looking for a fee-only adviser.** "I enthusiastically endorse the fee-only camp. ... I admire fee-only veterans because they clearly have commanded enough respect and word-of-mouth referrals to build up a sizeable practice. When you rely upon a fee-only adviser, you happily can eliminate a humongous conflict of interest. The fee-only adviser works exclusively for you." Lynn suggests that with commissioned professionals "What a lot of people don't realize is that they will pay; they just won't know it." And addressing "fee-based", she says "I can't help but think that the folks who came up with the term "fee-based" were trying to befuddle investors." *Read the article here.*

**Finally, Lynn suggests using a questionnaire, and starting with local NAPFA and Garrett Network advisers.** "A splendid watering hole for these [fee-only] professionals is the National Association of Personal Financial Advisors. All its members sign a fiduciary oath to their clients, and they are scrupulous about only charging fees." Also, "If you don't have investable assets in the middle-to high six figures or more ... Some of these [NAPFA members who charge by the hour] are affiliated with the Garrett Planning Network..." *Read the article here.*