

Your first priority? Get a second opinion.



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We are all taking a deep breath now that the economy has leveled out and signs of a recovery are appearing for the first time in nearly two years.

Many people are wondering what to do next. Stay the course and keep all investments where they are? Move everything now while things are calmer? Explore new options with fresh eyes?

For anyone seeking to evaluate their current financial health and make some sense of what to do next (if anything) – start by getting a second

opinion.

A question you need to ask yourself is “Am I happy with my current investments?” A second question, “Am I happy with my current financial advisor and how he/she managed my money – and me – during the market crash?” Unfortunately, some financial advisors were so overwhelmed by what was happening, they didn’t even return calls from their own clients. Many advisors are no longer working with the same firm they were just a year ago. Here are five basic questions to help you in your evaluation process.

1. How is the financial advisor paid? Is the advice you receive based solely on your best interest, is it driven by commissions or is there no way for you to tell? People who provide service for a fee, such as CERTIFIED FINANCIAL PLANNER™ professionals are required to spell out how they are compensated and any potential conflicts of interest. People who sell securities such as stock brokers have requirements generally seen as less stringent. Investments they recommend must be “suitable” for their clients, which can be considered vague. It is important to note that any state registered investment advisor representative can use the title of Financial Planner; only an individual who meets certain education and training requirements can call themselves a CFP® professional.
2. What does this advisor know about you? Before making recommendations, has this person asked you about your life goals, your values, your health or your family? When do you plan to need money for retirement, college, or a business change?
3. What are the advisor's experience and qualifications? What licenses or certifications does the advisor hold? What are the resources of his or

her firm? I recently was asked for a second opinion on a financial plan proposed by someone described only as a "financial planner", not a licensed CFP®. I learned that he was a full-time employee of an insurance company and was quite limited in the types of services he could provide.

4. Does he or she have other investors with assets and interests similar to yours?
5. In what state or states is the advisor licensed or registered?

Just as it is with finding the right medical care and the right schools for your family, the careful choice of your professional financial advisor can make a lifelong difference in your financial independence.

It is important to understand getting a second opinion is not disloyal. Your current advisor should welcome the opportunity to have her/his good service and counsel validated by a qualified third party. There is a possibility you will stick with your current financial professional and are essentially solidifying your decision to stay where you are. Pick up your last statement and take it out for a visit with someone new, either through a personal referral or look online for advisors near you on one of the following resources.

Paladin Registry, LLC
<http://paladinregistry.com/>

Financial Planning Association
<http://www.fpanet.org/plannersearch/search.cfm>

Certified Financial Planner Board of Standards, Inc.
<http://www.cfp.net/search/>

Financial Industry Regulatory Authority
<http://FINRA.org/>

Expect to spend some time. Your first priority is to get all the answers you need. You and your family will benefit from your efforts.

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