

Let's Talk About...

Getting Ready for Your Financial Advisor First Date

Your first meeting with a new financial advisor is on the calendar. Now it's time to do a little homework. Whether virtual or in-person, you can make the most of your time together by coming prepared. Here's how:

Consider Your Goals

Before the meeting, think through your specific financial goals. What do you want to achieve in the next year or two? In three to five years? What about 10 years and beyond? Those answers should guide your strategy.

Gather Your Essential Information

Next, take time to collect your financial documents so you can present a clear picture of your financial situation:

- Checking, savings, investment, and/or retirement account statements
- Tax returns
- Insurance policies
- Student loan statements
- Credit card statements

Update Your Budget

Create a detailed monthly budget to give your financial advisor insight into your spending habits. Be sure to include both regular expenses (housing and utilities) and spontaneous or special occasion spending (pocket money and birthdays). If you use budgeting software, like Mint (<https://mint.intuit.com/>) or You Need A Budget (YNAB) (<http://www.youneedabudget.com/>), you may be able to export your budget into Excel and/or create reports that might be helpful at the appointment.

Prepare Your Questions

Remember that your initial meeting with a financial advisor helps you decide whether they are a good fit for your financial needs. To discover whether you feel confident in their abilities to help you achieve your financial goals, ask questions about their background, investment approach, strategies, and fees. Find more questions for your first meeting below.

Is It a Good Match?

After the meeting, consider whether you feel comfortable with the financial advisor and if their approach aligns with your goals. If it's not the right fit, consider finding another advisor.

Finding a Good Fit

Choosing a financial advisor calls for careful thought and due diligence. Use these questions and topics to guide your first meeting or to prepare your own specific list:

- What is your professional background, experience, and expertise as a financial advisor?
- How much will it cost to work with you? Do you use a fee-based or commission-based model, or a combination of both?
- How do you assess risk tolerance and determine suitable investments for clients?
- Can you explain your strategy for diversification and asset allocation?
- Is there a specific financial goal I should prioritize?
- How do you tailor your advice to align with my individual goals and circumstances?
- Can you provide guidance on tax-efficient investing and strategies to minimize taxes?
- What reports or statements will you provide to track my investments and financial progress?
- How do you keep clients updated when financial markets or economic conditions might impact their investments?
- How do you handle potential conflicts of interest in your recommendations?
- What is the process for terminating our advisory relationship if I decide it's no longer a good fit?

These questions can help you gain a better understanding of the financial advisor's qualifications, approach and how they can help you achieve your financial goals.

