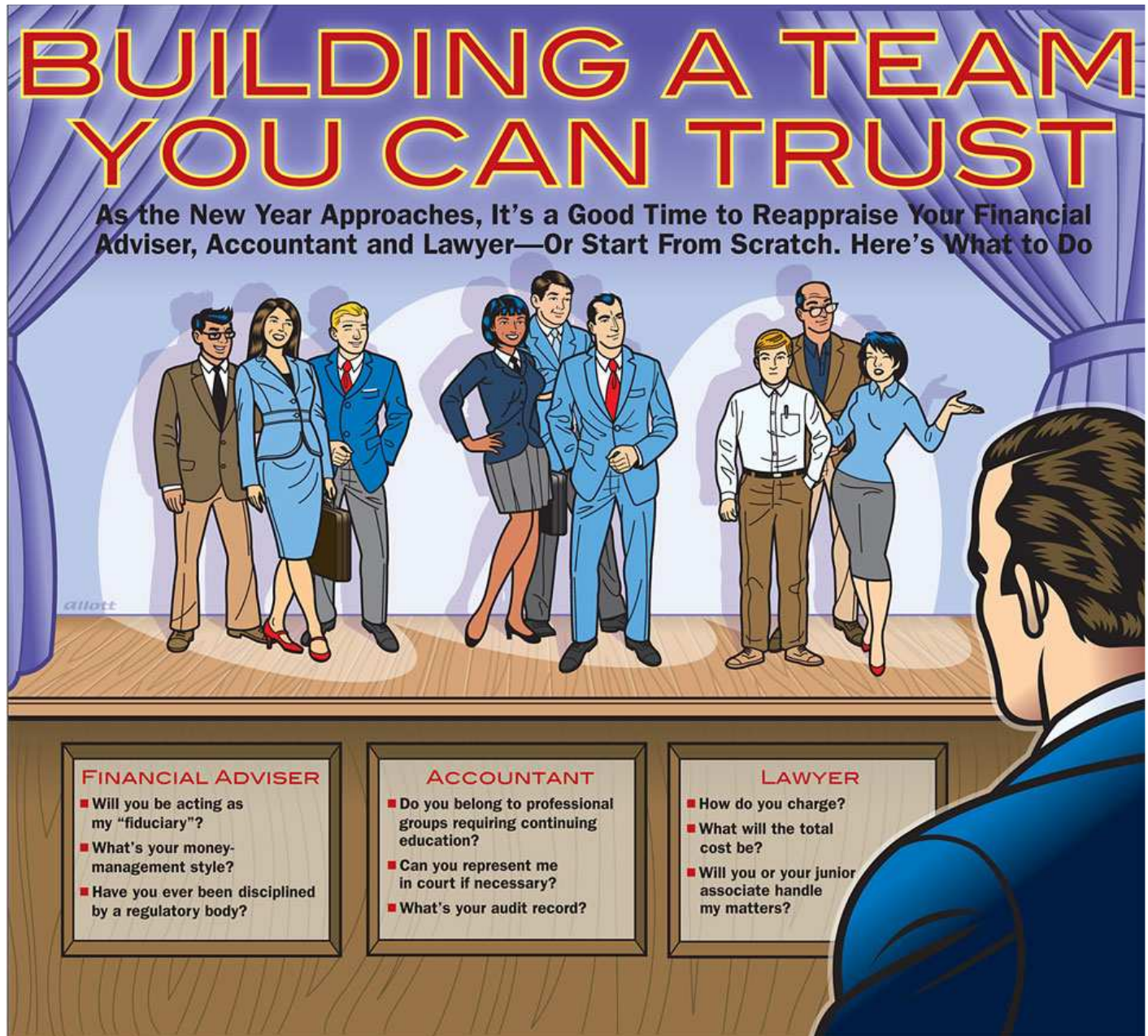


THE WALL STREET JOURNAL

December 31, 2011 – WEEKEND INVESTOR By Karen Blumenthal

How to Build Your Financial Dream Team



BUILDING A TEAM YOU CAN TRUST

As the New Year Approaches, It's a Good Time to Reappraise Your Financial Adviser, Accountant and Lawyer—Or Start From Scratch. Here's What to Do

FINANCIAL ADVISER

- Will you be acting as my "fiduciary"?
- What's your money-management style?
- Have you ever been disciplined by a regulatory body?

ACCOUNTANT

- Do you belong to professional groups requiring continuing education?
- Can you represent me in court if necessary?
- What's your audit record?

LAWYER

- How do you charge?
- What will the total cost be?
- Will you or your junior associate handle my matters?

With stock markets volatile, tax rates uncertain and estate laws facing review next year, these are challenging times even for the best professional advisers. Are yours making the grade?

The turning of the calendar is a good time to reassess your Trust Team—the group you turn to for financial, accounting and legal advice. If you're tired of doing it yourself or your pros aren't performing up to snuff, it may be time for a change. And if you've faced a setback this year, like a divorce, death of a spouse or a job loss, you especially want a team that is looking out for you and your best interests.

With so much up in the air nowadays, a Trust Team has rarely been more essential.

Choosing a Financial Adviser

If you haven't worked with a financial adviser before, choosing a good one can seem as frustrating a task as trying to find jeans that flatter. Just about anyone can hang a shingle and offer financial advice with fairly little training or experience.

Which credentials matter most? Certified financial planners, chartered financial analysts and certified public accountants have completed extensive course work and passed many hours of exams. These designations also require work experience and additional continuing education each year. Stockbrokers, by contrast, might only have studied for licenses to sell securities.

In addition to different kinds of training, the varying titles might also come with different obligations to you, the client. Registered investment advisers, CPAs and lawyers—those who are paid to give investment or other advice—have a fiduciary obligation, or a legal requirement to put their clients first in making financial decisions. Stockbrokers and other advisers have only an obligation to recommend options that are "suitable" for you, a far lesser requirement.

Here are some questions to ask:

What services do you provide?

How do you charge?

Will you be acting as a fiduciary?

How often will we talk?

Have you been disciplined by a professional or regulatory body?

What is your money management style?

Comments December 31, 2011

Imagine lying on an operating room table, as your surgeon is about to perform a critical procedure on you. Out of the corner of your eye you see his hospital identification card. It reads: "Dr. Smith – Not Obligated by Law to Act in Your Best Interest". Dr. Smith then says, "Nurse, pass me the scalpel. Not that one, the one where the scalpel manufacturer pays me the highest commission per use."

While the previous scenario may be outlandish in the medical field, it essentially takes place every day in the financial services field. **If your financial adviser does not work for a Registered Investment Adviser that is compensated with fees (rather than commissions) they are not obligated by law to act in your best interest above and beyond any other party (including their employer).**

When selecting a financial adviser, verify in advance if you will be assessed fees each time you meet or speak with the financial adviser. Although attorneys are obligated by law to act in your in best interest, they oftentimes assess fees based on conversations or meetings with you in 15 minute increments. Select a financial adviser that assesses fees as a percentage of assets under management, providing ongoing conversations and meetings for free. With this type of relationship you never have to feel rushed.

Lastly, select a financial adviser that will actually be your financial adviser. All too often, financial services companies have account representatives called 'financial advisers', who are not responsible for managing your assets. Instead, they simply convey the changes the true financial adviser has made. **Select a financial adviser that you will work directly with and who will be responsible for designing and managing you assets in a fiduciary capacity.**

Aaron Skloff, AIF, CFA, MBA
CEO – Skloff Financial Group

Aaron Skloff, Accredited Investment Fiduciary (AIF), Chartered Financial Analyst (CFA), Master of Business Administration (MBA), is the Chief Executive Officer of Skloff Financial Group, a NJ based Registered Investment Advisory firm. The firm specializes in financial planning and investment management services for high net worth individuals and benefits for small to middle sized companies. He can be contacted at www.skloff.com or 908-464-3060.