

Know Who You Are Investing With

Many times, clients come to visit us with piles of statements wanting to make sense of it all. In cases like this, we find it very helpful to breakdown each statement to determine what kind of account it is, who owns it, who the beneficiary is, etc. The average client we see typically has anywhere from four to eight investment accounts including IRA's. Often times, these individuals realize the importance of consolidation and working with someone they have a good relationship with and they can trust with their finances.

Unfortunately, while reviewing all investment accounts, sometimes accounts are found to be contrary to what clients assumed they had. Many investors who do not have an "open-door" relationship with a financial services professional have jumped into certain accounts to find out that they might not have been what they wanted or what they expected. "There is no free lunch, and if something sounds too good to be true, it usually is." I find myself reciting this cliché to clients' everyday.

By having a good working relationship with a financial services professional, you don't need to buff up on all of the latest investments that exist and the parameters around them. You don't need to be responsible for making sure you take exactly the right amount of your required minimum distribution (RMD) at age 70 ½, and you don't have to worry who will make sure your wishes are carried out upon your passing.

But maybe the most important reason to have a trustworthy financial services professional on hand to pick up the phone and call anytime, without a fee, is to get a little guidance on financial decisions that may have a sizeable impact on your present and future. We have many clients who call us on a regular basis about their financial decisions and to get our professional opinion of various investments they have heard about. All too often, we see individuals come in and put a policy or statement on the table and say I don't know what this is or I don't know anything about this investment. This is dangerous because it can have a negative impact on you if you need an income from the money or if you have an emergency and need some or all of the money.

The reality is that individuals are not going to understand every single aspect of every investment they are in. You do need to understand at least the basic benefits, pros and cons of your accounts. It is also very helpful to have a financial services professional who is accessible to call with questions anytime something isn't clear or if you have a concern or question. If you are making investments at the bank or with someone you don't really know, the odds are they are not gathering all of the relevant financial and emotional information about your situation. This makes strategizing difficult because it becomes more of a transaction versus a relationship. If you can call or visit a financial services professional you trust who has already gathered your background financial information, you will most likely get the best information for your specific situation. Without knowing specifics of your own individual situation, you are getting general advice at best.

In closing, the following are a few prompting reasons to consult with a trustworthy financial services professional:

- If the person who set up an account is no longer servicing it or left the company

- ☒ If you have investments that were setup years ago and haven't been thoroughly reviewed recently
- ☒ If you're not sure exactly what your account is doing
- ☒ If you're not happy with accounts you have
- ☒ If you are contemplating making a change to your investments
- ☒ If you are contemplating retiring from a career or a part-time job
- ☒ If you are not getting the service and response you feel you deserve on your accounts
- ☒ If you have IRA/qualified accounts and are turning 70 ½ years of age