



21 Questions to Ask Financial Advisors

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At HighView Financial Group, we believe that Advisors are critical to the future success of the Wealth Management industry as they are the providers of professional advice to investor clients in the prudent structuring and responsible growth of their financial assets.

Before establishing a business relationship with a Financial Advisor though, there are two broad groups of questions that need to be answered:

Credibility → Are you who you say you are and are you qualified to do it?

Competency → Are you good at what you do and will you help us accomplish our financial goals?

I. **Credibility Questions:**

The “Credibility” questions are the baseline set of questions that need to be answered and typically include questions such as:

1. Please describe the history, size, ownership and management structure of your firm?
2. Is your firm registered with a securities regulatory body?
3. Who are the key investment professionals in your firm?
4. What is your industry experience, financial education & professional certification?
5. Have you and/or your firm ever received any regulatory and/or professional sanctions?
6. Please describe the investment professional and administrative support team who would be managing our wealth?

II. **Competency Questions:**

In order to effectively assess an Advisor’s professional competency, investors need to assess two key elements of an Advisor and their firm:

Philosophies → **Why** do you do what you do?

This addresses the key questions related to **why** does an Advisor and their firm believe that wealth should be managed the way that they do so.

Practices → **How** do you do what you do?

This addresses the key questions related to **how** an Advisor and their firm manage wealth on a daily basis to ensure consistent execution in the diligent pursuit of clients’ investment objectives.



Given client need for “sustainability” of wealth, these philosophical and practice assessments should focus on three areas:

Investor Profiling: *Identifying The Purpose Of The Money Against Discreet Time Horizons*

7. Please describe the process that you and your firm would use in determining client investment objectives?
8. Please describe the process that you and your firm would use in determining client tolerance for varying degrees of investment risk?

Asset Management: *Constructing Portfolios That Meet Client Needs, Investment Objectives & Risk Tolerances*

9. Once a client’s investment objectives and risk tolerances are determined, please describe the process that your firm uses for creating client portfolios?
10. What role do the various investment securities used in client portfolios perform in terms of risk and return?
11. Do you use customized Investment Policy Statements for each client?
12. What are the due diligence processes that you and your firm conduct on investment securities prior to inclusion in client portfolios as well as on an ongoing basis?
13. Once a client portfolio has been implemented, what are your daily practices for ensuring that their portfolios adhere to the terms and conditions agreed upon in their Investment Policy Statement?
14. Please describe your client portfolio review & reporting processes?

Stewardship: *Thinking and Acting Like a Fiduciary*

15. What are your firm’s beliefs in the management of client wealth?
16. Please describe the structural and operational practices of the oversight body in your firm that ensures our wealth is being managed in a prudent manner and in accordance with my investment objectives, risk tolerances and portfolio constraints.
17. How does your firm manage the potential conflicts of interest that can exist amongst custody, investment accounting and investment management?
18. What are the monitoring practices for all investment professionals that will be involved in managing my wealth?
19. How are all of the investment professionals who will be involved in managing my wealth compensated?
20. What are the Codes of Conduct and/or Professional Standards that you and your firm adhere to?
21. Please describe how all client fees are calculated and charged?