

12 Essential Questions to Ask a Financial Advisor

1) Do you act as a fiduciary?

By being a fiduciary, an advisor acts in your best interest 100% of the time. It's important because if not, they might be recommending something that's just "suitable" for you, so they can earn higher commissions or incentives.

JSA Way: We are a fiduciary for our clients 100% of the time.

2) Are you fee-only?

Advisors can earn income in many ways, including client fees and commissions from selling mutual funds, annuities, or other investment products. Be wary of product recommendations when the advisor earns a commission.

JSA Way: We do not sell any products, AND we are fee-only, meaning only clients pay us. Please visit www.napfa.org to see fee-only advisors in your area.

3) What services will I receive?

Advisors can offer many services, so make sure they meet your needs.

JSA Way: We provide tax-efficient financial advice, retirement & legacy planning, and investment management. We refer to partners for life insurance products, tax preparation, and estate document drafting.

4) What are my TOTAL costs?

It's essential to evaluate the total investment cost, including commissions, custodial fees, investment/product fees, and advisor fees. For example, if custodial expenses are 0.1%, mutual fund fees are 0.7%, and advisory fees are 1.2%, your total cost is 2.0%.

JSA Way: Our advisory fee percentage is 1.25% on the first \$500,000 we manage. Above that, there are several other tiers with increasingly lower percentage rates. We perform investment management, and as a result, we work hard to keep all other expenses low, resulting in a total cost that is very competitive to peers.

5) How do you measure performance or success?

Every advisor measures success differently—some compare returns to a benchmark or inflation while others focus on client service. Make sure success for your advisor = success for you.

JSA Way: We are a purpose-driven organization, and our real measure of success is to make you better off with us in your life. For investing, we strive to beat a benchmark across a market cycle after paying our fee. For planning, we help you define, stick to, and achieve your unique financial goals.

6) What experience or professional designations do you have?

Build confidence that the advisor has the knowledge and capabilities to add value to your financial life—things like experience, professional designations, client testimonials, etc.

JSA Way: Our team has over 45 years of combined experience and works together toward your best outcome. Jason Schmitt, Adam Sweet, Chris Johnson, Erik Barker, and Brooke Wolverton are CERTIFIED FINANCIAL PLANNER® professionals, and Rich Vanden Boogard and Adam Sweet are holders of the right to use the Chartered Financial Analyst® designation. We believe these are the most valuable designations in our profession.

7) What is your philosophy about investing?

Some advisors rely on third-party investment managers, while others perform that work in-house. **JSA Way:** We do our own research and buy individual stocks and bonds when possible. Our goal is to build wealth for you over your lifetime. We invest in companies we're proud to own, focus on our best ideas, invest for the long-term, and do so alongside our clients.

8) Do you follow your own advice?

Many advisors provide recommendations to clients but do not follow that advice for themselves. **JSA Way:** We think and act as if your money is our own. We hold the same stocks in our portfolio as clients do and will endure losses and enjoy gains right alongside you.

9) Can I have a copy of your ADV?

The ADV disclosure explains the firm, fees, and any disciplinary action against employees. It also includes information on education, experience, designations, and qualifications.

JSA Way: JSA does not have any disciplinary action against its employees. You can check our ADV [here](#). You can also review brokers on the [FINRA](#) site and advisors on the [SEC](#) site.

10) What has historical investment performance been?

Request a copy of actual investment performance to determine if clients are better off financially because of their help.

JSA Way: We aggregate actual portfolio performance and provide that for four composites, portfolios that have an 80-100% allocation to stocks (Growth), 67-80% stocks (Moderate Growth), 50-67% stocks (Growth & Income), and under 50% stocks (Income). These charts and tables show performance after fees paid to JSA.

11) How will I work with your team?

Understand how you'll work with the team and what to expect for communication and meetings.

JSA Way: We work together as a team, and you'll get to know all our advisors. There will always be two advisors in each meeting to offer more experience and perspective. We will meet at least annually and more often as needed, such as preparing for retirement or working through tax and estate planning issues. We also send communications proactively to improve your financial life.

12) Would I be a good fit as your client?

Each advisor provides a different "fit" for their clients.

JSA Way: We have built strong relationships with clients that:

- Care about their money and want it to work as hard as they do
- Invest for a purpose
- Focus on the long-term
- Are savers at heart
- Accept feedback or advice
- Have a positive attitude!