



The Benefits of Working with a Registered Investment Advisor (RIA)



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Agenda

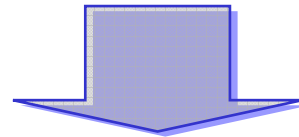
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What Our Clients Want

An Independent Relationship for the Long-Term

Our clients want a relationship with a financial professional where they know they both are working towards the same goal

Make investment decisions with your best interests in mind



**We are a fee-only
Registered Investment Advisory firm (RIA)
Our Objective is
TO HELP YOU ACHIEVE YOUR GOALS**

What Our Clients Want

Personalized, Focused Financial Advice

- Our clients have chosen to work with us for a number of very important reasons.
- They want a financial advisor that:
 - ✓ *Puts their interests first*
 - ✓ *Understands their specific financial situation*
 - ✓ *Offers straightforward advice that reflects their long-term goals*
 - ✓ *Recommends investment solutions that best fit their unique needs*
 - ✓ *Uses a fee-only structure that encourages unbiased advice*

What We as RIAs Deliver

An Independent Relationship for the Long-Term

- Whether we are helping you plan for retirement or save for your children's education, YOUR objectives are OUR objectives:
 - ✓ *As an RIA, it is our fiduciary duty to act in your best interest — we are legally bound to put our clients' interests first*
 - ✓ *We will take the time to understand you and your specific financial situation*
 - ✓ *We will strive to ensure your needs are being met through a personal relationship and committed pursuit of your investment goals*
 - ✓ *We will make portfolio recommendations consistent with your objectives*



What We as RIAs Deliver

Personalized, Focused Financial Advice

- **And, our compensation for asset management is aligned with your goals**
 - ✓ *We charge for our services based on an annual retainer fee*
 - *so we remain focused on your long-term goals and objectives*
 - ✓ *We are required to disclose how we compensated*
 - *so you will see there are no commissions charged*

The Profile of an RIA

Independent Business Owners

RIA	
Primary Function	Advice
Compensation	Typically charge a flat fee for advice or a percentage of assets under management
Responsibility to Client	Fiduciary — RIAs are legally bound to serve the interest of their clients
Regulation	RIAs are either overseen by the Securities and Exchange Commission (SEC) or by state regulatory agencies

48 percent of individuals interviewed with household income of \$75K or more feel an independent financial advisor is most likely to provide them with the best advice.*

*Survey, "Most Would Turn to Independent Financial Advisors During This Difficult Time", conducted September 11 to 14, 2008 by Opinion Research Corporation.

The Profile of a Registered Representative

Typically an Employee/Contractor of a Broker-Dealer Firm

Broker-dealers are primarily in the business of buying and selling securities for their clients

Registered Representative

Primary Function	Facilitate securities purchase and sale transactions for their clients
Compensation	Usually commission-based
Responsibility to Client	Ensure investment recommendations are suitable for the client and provide best execution of client orders
Regulation	FINRA (the Financial Industry Regulatory Authority) along with the SEC and state regulatory agencies

Only 8 percent of those individuals interviewed with household income of \$75K or more feel a broker-dealer is most likely to provide them with the best advice.*

*Survey, "Most Would Turn to Independent Financial Advisors During This Difficult Time", conducted September 11 to 14, 2008 by Opinion Research Corporation.

How We Differ from Registered Representatives

RIAs and Registered Representatives are Very Different

	RIA	Registered Representative
Primary Function	Advice	Facilitate securities purchase and sale transactions for their clients
Compensation	Typically charge a flat fee for advice or a percentage of assets under management	Usually commission-based
Responsibility to Client	Fiduciary — RIAs are legally bound to serve the interest of their clients	Ensure investment recommendations are suitable for the client and provide best execution of client orders
Regulation	RIAs are either overseen by the Securities and Exchange Commission (SEC) or state regulatory agencies	FINRA (the Financial Industry Regulatory Authority) along with the SEC and state regulatory agencies

Some think Registered Representatives are similar to RIAs, but:

- They are usually compensated by commissions on product transactions
- Typically not held to a fiduciary standard; when making a recommendation, held to “suitability standards”
- Suitability standards say they can recommend certain securities or investments if they believe they are *suitable* for a particular investor — but they are not required to put your best interest first

Which Option Is Right for You?

Questions You Should Ask Yourself

What am I looking for — assistance with buying/selling individual securities, investment advice, or both?

How do I want to pay my financial professional? Fees? Commissions?



Do I want to take a longer-term, holistic approach to management of my investments or make it more transaction oriented?

How important is it that my financial professional have a fiduciary responsibility to put my interests first?

60 percent of individuals surveyed said they are more comfortable receiving financial advice from someone who is paid a flat fee or percentage of assets versus 23 percent for a person who is paid on commission for products they sell.*

*Survey, "Most Would Turn to Independent Financial Advisors During This Difficult Time", conducted September 11 to 14, 2008 by Opinion Research Corporation

Wrap-Up

- Alternatives can be confusing
- Know what you want and need
- Understand the different advice options
- Choose the one that best suits your objectives

For more information about RIAs, visit:

www.sec.gov/divisions/investment/advoverview.htm or

www.sec.gov/divisions/investment.shtml

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