



## SEVEN QUESTIONS YOU SHOULD ASK BEFORE CHOOSING A FINANCIAL ADVISOR

Choosing a financial advisor is one of the most important financial decisions you will ever make. Before entering into a partnership with any financial advisor, ask the following questions, and make sure you are comfortable with the answers.

### 1. HOW ARE YOU ACCREDITED OR REGISTERED?

Make sure you ask your prospective financial advisor how they are registered, so you can understand the range of services, products and advice they are qualified to provide.

RBC Dominion Securities is a member of the Investment Industry Regulatory Organization of Canada (IIROC) which regulates all investment dealers in Canada. IIROC monitors and enforces rules regarding the proficiency, business and financial conduct of these firms and their advisors.

As an IIROC-regulated firm, RBC Dominion Securities can offer a wide range of investments and services, including mutual funds, Guaranteed Investment Certificates (GICs),

stocks, bonds, futures, options and portfolio management services. For more information regarding IIROC's proficiency standards and registration categories, please visit IIROC's website at [www.iiroc.ca](http://www.iiroc.ca).

Also, some of our advisors are registered to provide insurance solutions through RBC Wealth Management Financial Services Inc., an insurance subsidiary of RBC Dominion Securities.

### 2. HOW ARE YOU COMPENSATED?

Many advisors are paid by commission for the products they recommend, while others receive a salary or a flat fee. Find out at the outset how your advisor is compensated, how much the services will cost, what choices you have to pay them, and what you can expect to receive in return.

### 3. WHAT IS YOUR FINANCIAL/ INVESTMENT EXPERIENCE?

Your advisor should be forthcoming about their industry experience, their professional qualifications, and their own qualifications, memberships and education. Don't hesitate to ask about what each designation means.

Also, don't assume that fewer years as an advisor necessarily means less expertise. Many advisors enter the profession after many years of working with the people who would later become clients, for example as consultants to business owners, who later become registered as Investment Advisors specializing in business owners' investment portfolios.



**RBC Wealth Management**  
Dominion Securities

Your relationship with your Investment Advisor is a long-term partnership in pursuit of your personal and financial goals. If you have any questions that we can answer to help you feel more confident in the management of your wealth, please ask us.

#### **4. WHAT KINDS OF PRODUCTS AND SERVICES CAN YOU PROVIDE?**

Find out if your prospective advisor is limited to certain investments, such as proprietary products offered by the firms they work for, GICs or mutual funds, or if you can draw on a greater range of investment products to meet your evolving needs. Make sure you ask about your advisor's access to investment research, portfolio strategy teams and risk management groups.

You should also determine if your advisor focuses on investment solutions only, or can also provide additional services that may help you achieve your financial goals, such as financial, tax, retirement, and estate planning services. If your advisor can offer access to these services, find out.

*RBC Dominion Securities is a full-service investment firm, providing the full range of investments, backed by top-ranked investment research and portfolio strategy. This includes proprietary and third-party investment products, as well as Canada's largest inventory of fixed-income and money market instruments. In addition, we have the largest Wealth Management Services team in Canada, which helps advisors provide tax, retirement and estate planning solutions.*

#### **5. WHAT KIND OF CLIENTS DO YOU SERVE?**

Ask whether your potential advisor specializes in any particular client group and is able to deal with more complex financial situations. Don't be shy about asking for references either – after all, your financial advisor is in many ways applying for the job.

*We would be pleased to provide references and testimonials from satisfied clients. Ask us for more information today.*

#### **6. HOW WILL YOU HELP ME REACH MY GOALS?**

Your advisor should be asking you to outline what you hope to gain from the relationship – for example, preserving your income, building your wealth, retiring comfortably within a certain period of time – and can guide you if your expectations are unrealistic.

Ask your advisor about their investment process, and how they create and manage your portfolio. Is each portfolio custom-crafted, or is the advisor following a set of established models? Confirm that your advisor's process is one that you are comfortable with.

Your advisor may also draw on value-added services such as financial, tax

or estate planning to ensure that your ongoing wealth needs (in addition to investments) are in sync with the rest of your affairs.

*We will help you clarify your personal needs for income and growth, comfort level with market risk and other factors that will guide us in the management of your portfolio. As needed, we may also work with our extended team of tax, estate and financial planning specialists, Will and estate consultants, accountants and other professionals to ensure comprehensive coverage of all your wealth management needs.*

#### **7. WHAT KIND OF SERVICE WILL I RECEIVE?**

Your advisor should clarify at the outset the level of service you can expect. This includes how often you will meet to review your progress; how your advisor will update you on portfolio performance; and what sort of contact you can expect from your advisor or support staff.

*We will provide you with a written service agreement detailing our commitment to you and your financial success. This agreement will be reviewed regularly to ensure it continues to meet your needs.*