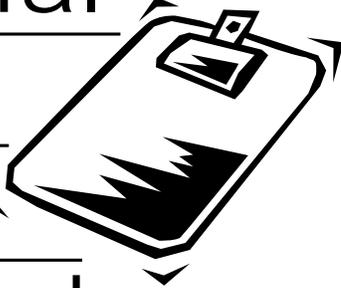


Financial Adviser Interview Checklist



This checklist was developed by the Maryland Division of Securities to assist investors in choosing a financial adviser. It may be used during an interview or sent to an adviser as part of a preliminary screening.



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Using the Financial Adviser Interview Checklist

We developed the Financial Adviser Interview Checklist to assist you in choosing a financial adviser. You can use the checklist during a preliminary interview or send it to an adviser as part of an initial screening. We recommend that you interview several individuals from different firms in order to choose an adviser whose investment strategy most closely matches your risk tolerance and financial goals. It is equally important to review the adviser's Form ADV, Part II or other disclosure document – information that the adviser is required by law to provide to clients.

The person you choose as your financial adviser should respond to these questions, and should have a number of questions to ask you in return. The financial adviser should determine your financial circumstances, your investment experience, and your investment goals before recommending any plan. It is important to choose a financial adviser who is qualified through training and experience, who puts your financial well-being first, and who conducts business in compliance with applicable laws.

The Financial Adviser Interview Checklist contains five basic sections:

“About the Adviser’s Practice” will give you information on what kind of clients the adviser services. Generally, the more experience the adviser has with people like you, the better. Ask the adviser for permission to speak with clients, and ask these clients how much better off they are as a result of the services of the adviser.

“Experience, Licenses and Education” will give you information about how long the adviser has been in business, and the adviser’s professional background. For instance, you may want to check to see if the adviser is primarily a stockbroker or an insurance agent. Depending on your needs, you may want to look for broader experience.

“Services and Products” will tell you how the adviser implements recommendations. Avoid advisers who try to “sell” a product rather than provide sound advice appropriate to your financial situation and goals.

“How the Adviser is Paid” will tell you how the adviser is compensated. It is important that you understand and agree with the adviser’s method of compensation, which is generally calculated in one of three ways:

- 1) A fee-only adviser charges on a hourly or flat-rate basis. The adviser provides advice but does not sell products.
- 2) A fee and commission adviser provides advice for a fee, and earns commissions on particular products sold to a client.
- 3) A commission-only adviser earns money from the financial products sold and does not charge a fee for advice.

Under certain circumstances, advisers may charge a “performance fee,” which is a fee that is based on the increase in value of the account. Maryland law permits an adviser to charge a performance fee only if a client has at least \$500,000 under management of the adviser, or whose net worth exceeds \$1,000,000.

“Regulatory and Compliance” will give you information on the adviser’s disciplinary history.

Please call the Division to inquire about the adviser’s registration and to check on disciplinary history.

**The Maryland Securities Division
(410) 576-6360**

Call us...we’re here to help!

Adviser Information

Name: _____

Name under which business is conducted, if different: _____

Address: _____

City: _____ State: _____ Zip: _____ Phone: _____

About the Adviser's Practice

- How many clients do you currently serve?
 fewer than 25 25 - 50 51 - 100 over 100
- What is your clients' most common investment objective? Please rank in order, with 1 being most common and 4 being least common.
1) _____ 3) _____
2) _____ 4) _____
- What is your clients' most common age range? Please rank in order on a scale from 1 to 4, with 1 being most common and 4 being least common.
___ under 35 ___ 36 - 50 ___ 51 - 65 ___ over 65
- What is your clients' most common income range? (Total income per household before taxes.) Please rank in order on a scale from 1 to 4, with 1 being most common and 4 being least common.
___ \$0 - \$35,000 yr. ___ \$36,000 - \$75,000 yr. ___ \$76,000 - \$150,000 yr. ___ in excess of \$150,000 yr.
- Do you take discretionary authority over client accounts? yes no
If yes, is there an independent review of such accounts? yes no How often? _____
- Will you provide me with references from clients? yes no
Name: _____ Phone: _____
Name: _____ Phone: _____
Name: _____ Phone: _____
- Will you provide me with a sample copy of a plan or a sample list of recommendations? yes no
- Please provide me with a current copy of your Form ADV, Part II, or disclosure document.

Experience, Licenses and Education

- How long have you been offering financial planning or investment advisory services? # _____ years
- How long have you been registered as an investment adviser or investment adviser representative?
_____ years with the Securities and Exchange Commission # _____ years with the State of Maryland
- How many firms have you worked for as an adviser or planner? # _____ firms
Please list names and dates:

4. What licenses or professional designations are you eligible to use? Please indicate all that apply.
 1) _____ / Year received: _____ 2) _____ / Year received: _____

I am required to complete _____ hours of continuing education in order to maintain my professional designation.

Securities Licenses:

- Stocks and Bonds / Year received: _____ Mutual Funds / Year received: _____
 Commodities/Futures / Year received: _____

Insurance Licenses:

- Life Insurance / Year received: _____ Health/Disability Insurance / Year received: _____
 Property/Casualty Insurance / Year received: _____

5. What educational degrees have you earned?

School _____ Degree _____ Major _____ Year received: _____
 School _____ Degree _____ Major _____ Year received: _____
 School _____ Degree _____ Major _____ Year received: _____

Services and Products

1. Which financial services do you provide? Please check all that apply.
- | | | |
|---|---|--|
| <input type="checkbox"/> Comprehensive Financial Planning | <input type="checkbox"/> Tax Preparation | <input type="checkbox"/> Investment and Asset Management |
| <input type="checkbox"/> Tax Planning | <input type="checkbox"/> Brokerage Services | <input type="checkbox"/> Retirement Planning |
| <input type="checkbox"/> Mutual Fund Selection | <input type="checkbox"/> Estate Planning | <input type="checkbox"/> Timing Service |
| <input type="checkbox"/> Business Planning | <input type="checkbox"/> Insurance | <input type="checkbox"/> Educational Funding |
- Other (specify): _____
2. Will you provide a written analysis of my particular financial situation and recommendations? yes no
3. Will you offer continuous advice? yes no
4. Do you take custody of assets? yes no
 If yes, are you insured? yes no
 Will you provide proof of insurance? yes no
5. Do you recommend specific investment products? yes no
 If yes, which products do you offer? Please check all that apply.
- | | | |
|---|--|---|
| <input type="checkbox"/> Stocks | <input type="checkbox"/> United States Government Securities | <input type="checkbox"/> Bonds |
| <input type="checkbox"/> Municipal Securities | <input type="checkbox"/> Mutual Funds | <input type="checkbox"/> Options |
| <input type="checkbox"/> Futures/Commodities | <input type="checkbox"/> Limited Partnerships | <input type="checkbox"/> Insurance Products |
- Certificates of Deposit Coins or Other Collectibles (specify): _____
 Other (specify): _____
6. Do you provide assistance with implementation? yes no

