

You may be able to benefit from working with a financial planner or investment adviser.



About the Investor Protection Institute
 The Investor Protection Institute (IPI) is an independent nonprofit organization that advances investor protection by conducting unbiased research and groundbreaking education programs. IPI carries out its mission through investor education, protection and research programs delivered at the national and grassroots level in collaboration with state securities regulators and other strategic partners. IPI is dedicated to providing innovative investor protection programs that will make a meaningful difference in the financial lives of Americans in all walks of life and at all levels of sophistication about financial matters. For additional information, visit www.protectioninvestors.org.

About the Investor Protection Trust
 The Investor Protection Trust (IPT) is a nonprofit organization devoted to investor education. More than half of all Americans are now invested in the securities markets, making investor education and protection vitally important. Since 1993 the Investor Protection Trust has worked with the States and at the national level to provide the independent, objective investor education needed by all Americans to make informed investment decisions. For additional information, visit www.investorprotection.org.

Get more resources and tools
 A variety of noncommercial investor education and protection materials, including booklets, videos and curricula, are available and can be downloaded for educational purposes at www.investorprotection.org.

HOW TO ORDER INFORMATION

STATE SECURITIES REGULATORS

State Securities Regulators have protected investors from fraud for more than 100 years. Securities markets are global, but securities are sold locally by professionals who are licensed in every state where they conduct business. State Securities Regulators work within your state government to protect investors and help maintain the integrity of the securities industry.

Your State Securities Regulator can:

- Verify that a broker-dealer or investment adviser is properly licensed;

- Provide information about prior run-ins with regulators that led to disciplinary or enforcement actions; serious complaints that may have been lodged against them; their educational background and previous work history;

- Provide a Web site, telephone number or address where you can file a complaint; and

- Provide noncommercial investor education and protection materials.

For contact information for your State Securities Regulator, visit the North American Securities Administrators Association (NASAA) Web site at www.nasaa.org and click on "Contact Your Regulator."

Getting Help With Your Investments

By the Editors of
Kiplinger's Personal Finance

You should match an adviser's specialties and credentials to your particular situation

Stumped by financial or investment decisions? You might benefit from working with a professional financial planner or investment adviser. But selecting someone who is affordable, trustworthy and compatible is much tougher than choosing a dentist or a plumber. One way to learn about researching, choosing and working constructively with a financial professional is with the booklet *Getting Help With Your Investments*. Here's a sample of the information in the booklet:

In every metropolitan area, there are thousands of men and women who are eager to handle your money and tackle your problems, perhaps for a one-time fee of a few hundred dollars or for an annual fee of as much as 2% of your financial assets. Even in smaller cities and towns, you're likely to have multiple options.

Most financial professionals are honest and well trained, but there are no guarantees about anything, including whether you'll do better with your investments by paying someone to supervise them. There's the chance that you'll get into a dispute with your adviser or even encounter an out-and-out fraud. If so, you'll need to know where to go for assistance if you believe you have been wronged.

Typical Questions

Financial advisers come in many stripes, but the primary distinction is between those who work through specific life decisions and others

who are mainly concerned about managing your investments directly for a fee. If you're confident in your ability to make financial decisions, you may only need to consult with your local banker or your employer's human-resources office. But the following situations often call for an outside expert:

- You've changed jobs and want guidance on how to transfer your retirement savings.
- You're getting married and want to be sure you're both on the same page about savings, debts, investments and other obligations.
- A family member has left you an inheritance. You need direction on how to invest it.
- You've lost serious money in your retirement accounts and feel a professional would help you make better choices.

Who's Who Among Advisers

Just as you don't consult an orthopedist when you have the flu, you should match an adviser's specialties to your particular situation.

Here are your choices:

Registered representatives, the people who are familiarly but no longer widely known as stockbrokers.

Certified Financial Planners, whose background and qualifying examinations prepare them to take on a variety of assignments, from analyzing your retirement funds to setting up a schedule of cash distributions when you get a lump sum of money at retirement. Many CFPs specialize in certain groups of clients: retirees, singles, widows, small-business owners and career military.

Registered Investment Advisors, who actually manage or invest money on your behalf for a fee. You may elect to give these people discretion to make trades in your accounts and determine your investment strategy.

How to Choose an Adviser

You're hiring someone to handle your money, so take plenty of time and be thorough and discriminating in your search. Settle on the services you need and then schedule introductory meetings with several candidates. Even in a financial emergency, such as a disabling injury or unexpected job loss, you don't necessarily want to select the first planner you meet. Start by

FIVE QUESTIONS TO ASK

- **What is your training and experience?**
- **What is your investment philosophy and your track record?**
- **Can I have a copy of your regulatory disclosure forms?**
- **How will our relationship work?**
- **How much do you charge?**

OPEN HERE FOR MORE



Getting Help With Your Investments

The best advisers counsel in a methodical way

getting referrals from friends, colleagues and professional acquaintances. In *Getting Help With Your Investments*, you'll find Web addresses for associations of financial advisers that maintain free member-search engines. Most investment advisers and planners file disclosure documents with state and federal authorities and should send you a copy or put them on their own Web sites.

Before you sit down with a planner or an adviser, he or she should ask you to complete a questionnaire or write a memo about your situation and your expectations. At the same time, you should research the adviser on his or her Web site, conduct a Google search, and verify him or her with your state securities regulator. That could turn up helpful articles the adviser has published—or you might learn that he or she has been sued for taking unauthorized risks with clients' money. Then you can talk constructively and get a feel for whether the adviser is someone you can work with amicably.

What Can Go Wrong

Losing money on your investments isn't the only potential problem. In fact, market losses aren't necessarily anyone's fault because markets go up and down and most advisers try hard to keep you as a satisfied client. So they shouldn't churn your account by making excessive trades to generate more commissions. They should not sell you insurance or investments you don't need so they can qualify for trips and other prizes. And they should not be evasive when you ask them to confirm what your accounts are worth or why they suggested an investment that didn't work. Be on

the lookout for the following troubles:

- Unsuitable recommendations. If you've made it clear you want safe and predictable income, for example, no adviser should talk you into exotic investments, such as gold and foreign currencies.
- Misrepresentation of risk. This occurs when the adviser fails to inform you how an investment might fall apart.
- Overconcentration. You and your adviser may agree on a broadly diversified strategy to protect you against a plunge in value of any particular kind of asset. If you discover instead that one or two large holdings create a major loss, that's grounds for complaint.

How to Complain

If you suspect that something unethical or illegal is going on, you have several avenues to seek redress. These alternatives can be as simple as confronting the adviser or going to a supervisor if you're doing business with a major financial company. But you can also get help from a number of regulatory organizations whose business it is to investigate investor complaints.

These agencies include state securities regulators (members of the North American Securities Administrators Association), the Securities and Exchange Commission and the Financial Industry Regulatory Authority.

More information. To read the full-length *Getting Help With Your Investments* booklet, visit www.investorprotection.org or contact your State Securities Regulator's office.



MORE INFORMATION ABOUT INVESTING

The following booklets from the Editors of *Kiplinger's Personal Finance* magazine and the Investor Protection Trust are available at your library and offices of State Securities Regulators.



Five Keys to Investing Success

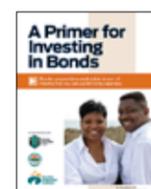
- Make investing a habit
- Set exciting goals
- Don't take unnecessary risks
- Keep time on your side
- Diversify



The Basics for Investing in Stocks

- Different flavors of stocks
- The importance of diversification
- How to pick and purchase stocks
- When to sell

Key measures of value and finding growth
What's your return?
Consider mutual funds



A Primer for Investing in Bonds

- How do bonds work, anyway?
- How much does a bond really pay?
- How to reduce the risks in bonds
- Going the mutual fund route



Mutual Funds and ETFs: Maybe All You'll Ever Need

- Mutual funds: The best investment
- The different types of funds
- How to choose funds
- Assembling a portfolio

Sources of mutual fund information
Where to buy funds



Maximize Your Retirement Investments

- Three key rules
- Creating the right investment mix
- Investing on target
- Best places to save

Guidelines for saving at every life stage
Getting the money out and creating an income stream

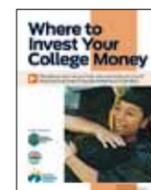
Protect your money: Check out a broker or adviser



Getting Help With Your Investments

- Do you need a financial adviser?
- Who's who among financial advisers
- How to choose an adviser
- How to open an account

5 questions to ask before you hire an adviser
What can go wrong
How to complain



Where to Invest Your College Money

- The basics of investing for college
- Investing in a 529 savings plan
- Locking in tuition with a prepaid plan
- Other tax-favored ways to save

Tax credits for higher education
Save in your child's name?



WHERE YOU STAND NOW: YOUR PERSONAL BALANCE SHEET

Use this worksheet to calculate your current assets, liabilities and net worth. When you know where your current net worth is coming from, you can see where your financial position is strong and where it is weak. This worksheet helps lay the necessary groundwork for setting your investment goals and making plans to reach them.



ASSETS

Cash in savings accounts \$ _____
 Cash in checking accounts \$ _____
 Cash on hand \$ _____
 Certificates of deposit \$ _____
 Money-market funds \$ _____
 U.S. savings bonds \$ _____
 Market value of home \$ _____
 Market value of other real estate \$ _____
 Cash value of life insurance \$ _____
 Surrender value of annuities \$ _____
 Vested equity in pension plans \$ _____
 Vested equity in profit sharing \$ _____
 401(k) or 403(b) plans \$ _____
 Individual retirement accounts \$ _____
 Keogh plans \$ _____
 Stocks \$ _____
 Bonds \$ _____
 Stock mutual funds & ETFs \$ _____
 Bond mutual funds & ETFs \$ _____
 Real estate investment trusts \$ _____
 Other investments \$ _____
 Collectibles \$ _____

Precious metals \$ _____
 Estimated market value of:
 Household furnishings \$ _____
 Automobiles and trucks \$ _____
 Boats, recreational vehicles \$ _____
 Furs and jewelry \$ _____
 Loans owed to you \$ _____
 Other assets \$ _____
TOTAL ASSETS \$ _____ **A**



LIABILITIES

Balance owed on mortgages \$ _____
 Home-equity credit line debt \$ _____
 Auto loans \$ _____
 Student loans \$ _____
 Other credit lines \$ _____
 Credit-card bills \$ _____
 Other debt \$ _____
TOTAL LIABILITIES \$ _____ **B**

CURRENT NET WORTH

(A minus B) \$ _____



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