

Is Your Broker Making the Grade?

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A while back, Forbes published a great [article](#) that identified several signs that it may be time to find a new broker. As securities fraud continues to persist and investors seek to regain control over their investments, the tips are still very relevant.

Below are a few of the warning signs that it is time to fire your broker:

Your broker works completely on commission.

In a nutshell, commission-based advisors are paid to trade. They are faced with putting your financial best interests against their own as they weigh investment recommendations. These advisors might be charging low fees – or none at all – and those “bargain” rates just might undercut your financial security. Choosing a financial planner with the lowest fees will often cost the investor more than they bargained for.

Alternately, fee-based financial advisors are paid a percentage of your assets and are compensated annually, meaning more transparency. If your portfolio performs well, their paycheck will grow accordingly. As a result, they have a large interest in seeing that your investment goals are reached. Commission-based planners have little incentive in performance.

You don't feel you can trust your advisor.

Trust is the most important word in the financial world. Remember, you're dealing with the money that will get you through the rest of your life.

Your advisor only calls you when he wants to sell you something.

Communication is imperative. The best financial advisors have defined schedules they follow for client contact, i.e. they make the call and you should not have to. A good advisor will initiate a meeting with you at least once a year or more often if needed.

He's worried more about your money than about you.

Are you just another account or does that advisor ask about you? Advising someone about their finances is about knowing their goals and visions for the future as well as knowing their entire financial picture. Planning is not just about investments; it is about the client's complete financial life and aspirations for the future.

Of course, as we have mentioned previously, you should always check up on your broker using FINRA's [BrokerCheck](#).

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About Debra Speyer

At [Wall Street Fraud](#), we are dedicated to offering assistance to those who have been hurt by improper corporate or investment practices.

If you have been the victim of stock brokerage fraud, securities fraud, mutual fund fraud, stockbroker fraud, annuities fraud, or any other type of investment fraud, please [contact us](#) today for a free case evaluation. Our talented and aggressive legal and professional staff is eager to help you recover your losses.