

Secret Society of REAL Financial Planners

Carl Richards is a US based Certified Financial Planner who is famous for his simple, yet thought provoking sketches in his NY Times blog. Carl recently provided a terrific 11 point checklist for defining a "real" financial planner.

Most pleasing is that they fit very well with our philosophy and how we work with our clients. Even if you don't have a financial planner you may find it to be a great tool to ask the right questions when choosing a planner to look after your precious finances.....

Declarations of a Real Financial Planner

#1 We are boring – take this to mean real financial planners don't sell the latest sexy investment idea. They are with you for the long term and try to maintain consistency and stability. If you are looking to get rich quick, try someone else!

#2 We are professionals – Real financial planners always take time to continue their education and improve their professional standards.

#3 We are independently owned businesses – providing tailored financial advice to clients with complex financial needs.

#4 We get compensated by our clients – No hidden commissions, override etc. Fully transparent compensation

#5 We put our clients' interests first – This seems obvious, but is critically important. Although "best interest duties" were recently legislated in Australia, we have always put your interests first, even if that means we do ourselves out of a fee and encourage you down a different path (i.e. pay off debt first, keep your employer super fund, etc.)

#6 We diagnose before we subscribe – A real financial planner will take the time to listen and consider before making recommendations

#7 We ask really great questions – We try to get inside the important issues and encourage you to think about your future life goals.

#8 We are worthy of trust – Trust can only be *earned*

#9 We make things as simple as possible – see point 1, the minimum complication and jargon

#10 We know this is *your* money, *your* goals and *your* plan – No arrogance or egos here....

#11 We focus on things we can control or help you to control – No point spending lots of time worrying about issues we cannot control.

Let us know if you like these declarations ...

Carl Richards is Director of Investor Education at BAM Alliance. He is a CERTIFIED FINANCIAL PLANNER, and a Blogger and Columnist with the New York Times.

Check out Carl's book, *The Behavior Gap*, which I might add is a great read for anyone interested in investing and of course visit his website www.behaviourgap.com for examples of his fantastic sketches. When you visit his website you may wish to subscribe to his weekly email newsletter which appears in your inbox each Friday morning.