Types of Financial Professionals

	Pros	Cons
Broker	- Funds are held at a large institution. If the broker dies, entity still survives. - Portfolio is well researched and diversified.	- Portfolio is usually constructed from a model developed by the parent company in New York or Chicago. Little customization allowed. - You are a small fish in a big pond.
Registered Investment Advisor	- Customized plan taking into account your values and desires. - You are a big fish in a small pond. - The advisor is the Portfolio Manager directly, cutting down on your fees. - Fees are based on assets under management, not commission based. - Charter Financial Analyst (CFA) credential is preferred, showing advisor takes education seriously.	- Usually smaller firms. If the owner dies, your assets are taken elsewhere. - No annuities, insurance or long term care products are usually sold.
Financial Planner	- Develops a complete financial plan including estate planning, life insurance, long term care, etc. - You are a big fish in a small pond. - Certified Financial Planner (CFP) credential is preferred, showing financial planner takes education seriously.	- There is a fee for the financial planner AND a fee for the portfolio manager behind the funds you are being put into. When combined, you are already down 2%. A registered investment advisor is the portfolio manager directly. - May not be independent. If they work on commissions, may be selling you products that generate the highest commissions for them.