



# The Benefits of Having a **Fee-Only** Advisor





# Introduction

Fee-only advisors have gained a lot of clout in recent years, and it's not hard to see why. Being in the top 100 best fee-only advisors from CNBC, we here at White Oaks have **over 60 years of combined experience** in the wealth management industry.

Our time in the financial planning industry has shown us that using fee-only has benefitted our clients in many ways. With fee-only, the client pays for advice and wealth management. The advisor isn't preoccupied trying to sell financial products or recommendations based on forced favoritism from the employer.

This guide will show you the many benefits of having a fee-only advisor, and what it can do for you as a client.





# Understanding Fee-Only

## *Fee-Only in Greater Detail*

Before we go touting the advantages of fee-only advisors, perhaps it would be wise to step back and give you a bird's-eye view of how fee-only works. Fee-only differs from other financial advisors because, as founder of [Get Rich Slowly](#) J.D. Roth puts it, fee-only advisors are “independent, and have their own ways of doing business.”

...fee-only advisors are “independent, and have their own ways of doing business.”

Now fee-only isn't for everyone. Sometimes it can be falsely labeled, as advisors sometimes may recommend a “commission vehicle” such as life insurance, as mentioned in John Sestina's book “[Fee-Only Financial Planning: How to Make It Work for You](#)” on page 16. Unfortunately, false prophets are amuck, just like in any industry.

Do your due diligence, and weigh your options before proceeding with an advisor, as everyone works differently. Also, understand that **nothing is conflict-free or guaranteed.**





# Fee-Based Versus Fee-Only

Fee-based brokers and financial advisors are motivated by being in the black; in other words, they are more interested in what will make them money, not you.

As a result they'll recommend products and investments that will give them a more lucrative payout without acknowledging all of the factors; much less what's best for you as a client. These commission-based advisors have **conflicting dual motives** thrust upon them: get commission based on sold investments while trying to do what's right in the client's best interest.

...commission-based advisors have conflicting dual motives thrust upon them: get commission based on sold investments while trying to do what's right in the client's best interest

Fee-based can also get paid by the client as well as receive commissions.

In contrast to these fee-based advisors, fee-only is free from conflicts of interest, and **get a fee only from the client** based on the advice, portfolio management and services conducted. We will cover more about this in the next section.





# The Benefits of a Fee-Only Advisor

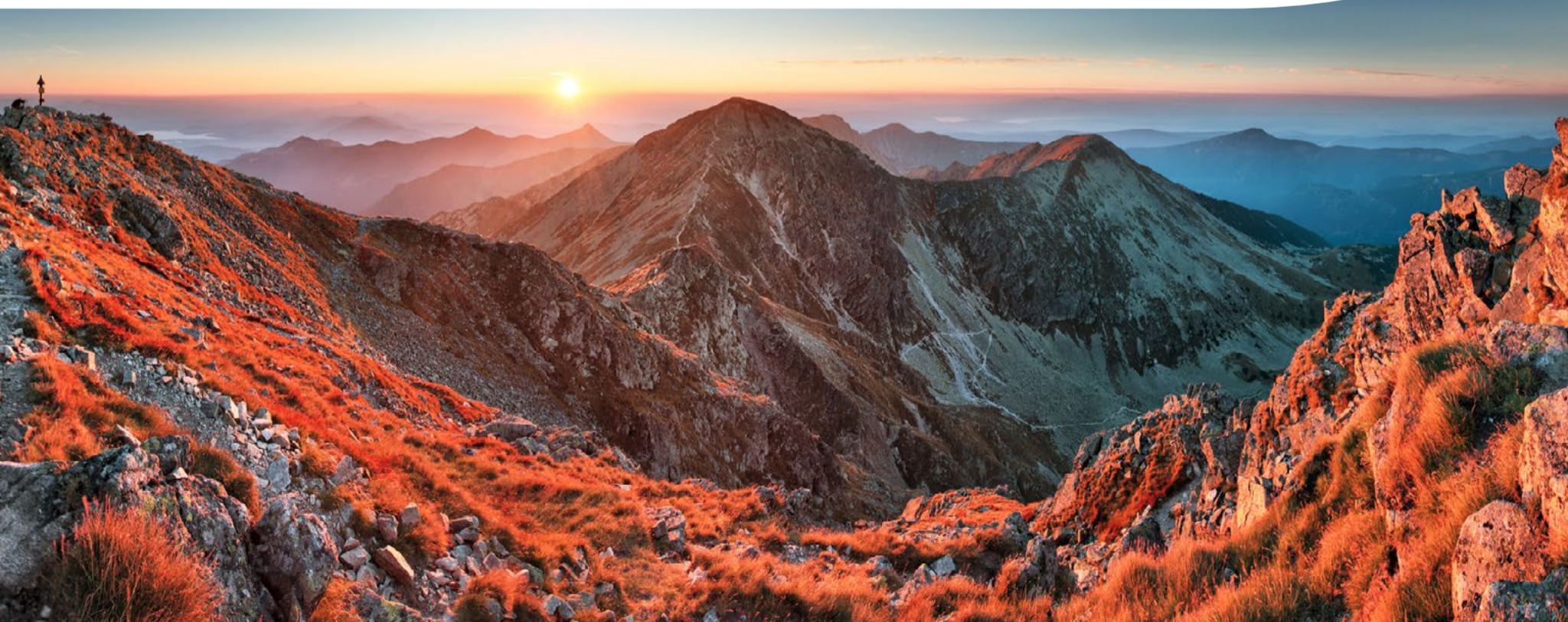
Now that you have a baseline for fee-based versus fee-only, let's delve right in to how fee-only can help you!

- ➔ You pay a fee, they give investment advice; it's just that simple
- ➔ Generally more flexible, and can work on an as-needed basis, hourly or an asset management fee
- ➔ Their main job is to give you the **best advice possible**
- ➔ They aren't motivated by commission or another financial institution's recommendations
- ➔ Most fee-only advisors are **fiduciaries**, which means they are bound by ethics to place clients' interests first

## *Great Portfolio Management*

Great investments lie in great portfolio management. One thing will always remain true, as quoted from White Oaks's CEO Bob Klosterman's book: "Investments perform better than investors over time, due to the timing of when investors take money in and out of the market (page 78)."

Smarter investing means placing a well-diversified strategy into motion. Fee-only advisors





have the world as their oyster; in other words, they aren't strapped to the capabilities of a bank's products or services. They can suggest the best strategies and investments all over the spectrum, all in an effort to give you maximum benefits and achieve your financial goals.

After all, a fool and his money are soon parted. While no plan is infallible, fee-only planners are at-the-ready for you, without being influenced by others. The truth is in the breadth of knowledge and expertise, which is why it's so important to research your advisor.

## Next Steps

So what are some good next steps? Finding a fee-only advisor is easier than you may think. Check out the National Association of Personal Financial Advisors (NAPFA), which can help you find a fee-only advisor based on your location. Also, the Garrett Planning Network is another helpful resource to find advisors from.

Choosing your financial advisor is just as important as choosing your doctor, so invest the time in looking at their education, experience and credentials. Remember that fee-only advisors have the benefit of more transparency, flexible pay and freedom from conflicts of interest.






# The Takeaway

As a general rule, fee-only financial advisors have many benefits and are committed to providing top-tier service uncolored by financial commissions or biases. It's important to not place all of your eggs in one basket, and fee-only allows you to diversify your egg distribution accordingly.

The fee-only path is a logically sound choice for most people seeking to invest their money smartly. While there's no perfect solution, choosing the right financial advisor can make a world of difference in your investments and how they are handled and maintained.

At the end of the day, it is about reaching your financial goals, dreams and aspirations. We here at White Oaks hope you found this guide educational and helpful in your quest for the right financial advisor. Get started today by taking our self assessment, or talking with one of our representatives here at White Oaks to see what your options are.



A GOAL  
WITHOUT  
A PLAN  
IS JUST  
A WISH





*White Oaks  
Investment Management, Inc.*

595 Bay Isles Road, Suite 250  
Longboat Key, FL 34228  
Phone: (800) 596-3579

*Follow Us*

