

Is Your Advisor Acting As Your Fiduciary?

I Am and Here's Why.



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Kara S. Boccella has over 25 years of experience advising legal professionals, executives, entrepreneurs, high net-worth individuals and families.

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What is a Fiduciary?

The word "fiduciary" comes from the Latin word "fiducia," meaning trust. A fiduciary is an individual or firm, typically a financial or investment advisor, who manages another party's assets and is legally obligated to act in that party's best financial interest. Advisors held to a fiduciary standard are not typically motivated by third-party incentives or commissions. Their primary purpose is to ensure the financial well-being of their clients and not be enticed by the prospect of their own financial gain.

Do All Financial Advisors Act as Fiduciaries?

The short answer is no. Most people believe that "financial advisor" and "fiduciary" are interchangeable terms, but this is far from the case.

Typically, financial advisors who work at companies such as banks, insurance companies, or brokerages tend to promote specific proprietary products or services (such as proprietary mutual funds, insurance products, wrap free programs, etc.) to their clients in exchange for commissions and/or fees. Clients are often unaware that their advisor is receiving additional compensation related to mortgage lending, life insurance, long term care insurance or any other product that has a financial element. The fact that these recommendations are directly linked to the advisor's compensation creates a conflict of interest that has the potential to put any client at financial risk.

The unfortunate truth is that it is more difficult than one may think to find a trusted financial advisor who acts as a fiduciary. This underscores the importance of taking time to research the qualifications, experience and track record of potential advisors in order to find one who understands the client's goals and objectives and is able to implement a plan that meets or exceeds them.

How Am I Structured?

As a representative of a registered investment adviser, I am legally bound to act as a fiduciary to my clients. I treat each client individually, crafting unique plans and soliciting tailored advice for every individual I advise.

My fees are straightforward, 100% disclosed, and my compensation is based on my clients' long-term success. I do not accept fees or payments from third parties, unlike typical commissioned advisors. My clients have access to highly-regarded products and services from multiple financial institutions and other providers. Since my motivation lies exclusively in helping my clients achieve their long-term financial goals, I can be honest and up front, have the tough conversations, and focus on creating tailored plans for their financial future.

Why Does it Matter?

As an independent investment advisor, I am able to recommend and implement impartial plans based solely on your particular financial needs. Making the decision to work with an investment advisor is the first step in protecting your family's assets and begin receiving measured, unbiased advice. The fact that you are paying for this financial advice makes it critical that you partner with an advisor who will put your interests first while upholding the fiduciary standard.

What's Next?

Please contact Kara Boccella to discover for yourself why working with a fiduciary is essential to anyone seeking financial advice.