SIMPLE DIFFERENCE THAT COULD COST YOU A FORTUNE
FEE-ONLY vs FEE-BASED ADVISORS

FEE-ONLY

- No inherent conflicts of interest
- Fees or compensation not based on product sales
- Provide more comprehensive wealth management advice based on asset allocation.
- Carry professional designations which hold them to strict codes of professional and ethical conduct.
- Fee-only advisers are obligated to charge a one-time or ongoing fee, depending on the types of services they provide.
- Fees normally based upon the percentage of assets under management.
- Client’s assets and every contribution are 100% invested.

FEE-BASED

- Compensation paid can create a conflict of interest between what is best for you, the client, and what is best for the adviser’s interest
- Usually charge both fees and commissions based on the products they sell.
- Hold licenses that allow them to sell investments or insurance products for a commission.
- Don’t have a “duty to disclose” their method of compensation, it can confuse clients who may not fully understand if their fee-based advisers are working for commissions.
- Client’s initial investment and every contribution are invested only after deducting the charge or load thereby depleting the assets and delaying retirement or other goals.