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THE CASE FOR GREEN LUXURY

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"What should I know when selecting a financial advisor?"

By Kevin Burns

How does an investor know whom to trust? According to a 2009 Forbes.com survey[1], only 26 percent of responders believe that Wall Streeters are honest. How can you find an advisor you are confident is trustworthy? **Ask the following about your current or potential advisor:**

01 Is the firm a registered independent advisor or stockbroker?

As fiduciaries, registered independent advisors are legally responsible for putting clients' interests before their own. A brokerage firm's responsibility is to make sure the investments chosen are suitable for its client. A fiduciary is required to disclose all material conflicts of interest to the client (any recommendation to a client that in turn is financially rewarding for the advisor).

02 Do the advisors have a clearly defined planning process?

It is not possible to predict what the markets will do short term, so your advisors should have a clearly defined planning process. This helps to ensure that your risk and asset allocation are based on family goals, not market performance. Planning, rebalancing and asset allocation are key to long-term success.

03 Do your advisors offer complete and total transparency?

Be certain that you have a complete understanding of how you are invested and why, how much you are paying in fees, and how your investments are performing against preset benchmarks. Full access to your accounts and financial status at all times is of paramount importance.

04 Do the advisors get their income from fees?

Be wary of advisors who have undisclosed conflicts of interest. Are they making their money by selling you a particular product? If so, the product might not be the best one for you, but the one that will benefit the firm and ultimately the advisors.

Are they charging you on the cash you hold with them? Advisors who do not make money on cash may be less likely to suggest you hold an appropriate amount of cash for your financial needs because they do not personally benefit from it. Advisors who work on a fee-based structure, built around assets under management, can focus on your risk allocation and long- and short-term goals.

Ask specific questions regarding the fees you are charged. The structure of your investments may have hidden fees. For example, often if you buy a bond for "no fee," you are paying a sizable spread between the bid and offer prices of that bond. Also many no-load mutual funds have significant expense ratios and often have marketing expenses that are not detailed without asking.

05 Do the financial advisors offer the best in client services?

While the advisors themselves are a big part of your decision, the back office staff is just as important. You want to make sure the office as a whole knows you, your family and the issues that are important to you. Making sure the supporting team is just as strong and experienced as the financial advisors will make everyday requests smoother and response time faster.

06 Are the advisors capable of working with multiple large, strong, world-class custodians?

Knowing who has custody of your investments is a must. You should always ask, "Who do you use as a custodian?" Then take the time to research and get to know the custodian. Make sure it has strong leadership in the banking industry and is committed to the highest standards of excellence when it comes to the security of your assets and information.

You want to make sure you are creating long-lasting relationships with the best of the best!

[1]Maiello, Michael, "Who Can You Trust?" Forbes.com—Business News, Financial News, Stock Market Analysis, Technology & Global Headline News, March 23, 2009, www.forbes.com/2009/03/23/hating-wall-street-intelligent-investing-trust.html

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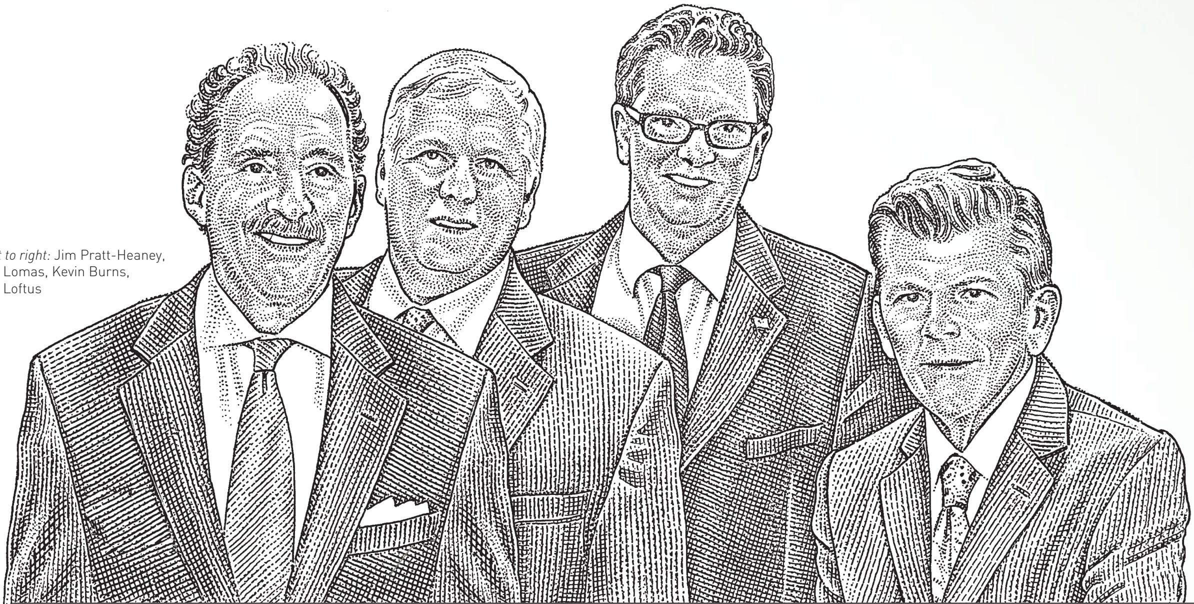
"Ninety percent of investors are not confident in their investment plan."

– Kevin Burns

How to reach Kevin Burns

I look forward to discussing how I can help you reach your financial goals. I can be reached directly at 800.700.5524.



Left to right: Jim Pratt-Heaney, Bill Lomas, Kevin Burns, Bill Loftus

About LLBH Private Wealth Management

After 15 years teaching, Jim Pratt-Heaney joined EF Hutton in 1986. He became a vice president at Smith Barney before moving to Merrill Lynch in 1998. He is a Certified Investment Manager Analyst and leads LLBH's asset management. Bill Lomas started with PaineWebber in 1981, spent 18 years as a senior vice president at Prudential Securities and Smith Barney and joined Merrill Lynch in 1998. Mr. Lomas, a Certified Financial Planner™ and Chartered Retirement Planning Counselor SM, leads LLBH's holistic investment planning process. Kevin Burns, whose career began at PaineWebber in 1981, became a senior vice president at Oppenheimer & Co. and Smith Barney before joining Merrill Lynch in 2000. He leads LLBH's new client asset acquisition and client service and contact operation. In 1986, Bill Loftus joined Merrill Lynch and then spent 10 years as a senior vice president at Smith Barney before returning to Merrill Lynch in 1998. He leads LLBH's corporate executive advanced wealth planning, lending and alternative investments.

Assets Under Management
$600 million (team)

Minimum Fee for Initial Meeting
None required

Minimum Net Worth Requirement
$10 million (for investment services)

Largest Client Net Worth
$100 million

Financial Services Experience
120 years (combined)

Compensation Method
Asset-based

Primary Custodian for Investor Assets Pershing

Professional Services Provided
Planning, investment advisory, money management, advanced wealth transfer planning and corporate services

Association Memberships
Investment Management Consultants Association

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