NRPC
National Retirement Planning Coalition

Press Release

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For Immediate Release

BEN STEIN'S TOP TEN TIPS FOR SELECTING A RETIREMENT PLANNING ADVISOR

National Retirement Planning Coalition Urges All Americans to Make 2004 the Year to Develop a Plan To Retire On Your Terms®

Washington, D.C., Jan. 29, 2004 — In his role as honorary chairperson of the National Retirement Planning Coalition (NRPC), Ben Stein, noted author, actor, comedian, lawyer, and economist, is sharing his insight on how to ensure all Americans have the resources necessary to retire on their terms.

Recognizing that retirement planning can be a complex process that often requires professional advice and guidance, Stein has outlined ten things people should consider when seeking a qualified financial/retirement advisor.

"Americans more than ever are beginning to understand the need to take personal responsibility for their financial futures, but they often don't know where to start," Stein said. "Like a deer caught in the headlights, they don't know where to turn and quickly become overwhelmed with what seems like a frightening process.

"Over the course of my own career – which has taken several different paths – I've relied heavily on professional advisors for everything from contract negotiation to financial and retirement planning, and I'm here to say that there is plenty of good help available for the asking," Stein continued. "There are literally tens of thousands of qualified and experienced professionals out there who can help you create a solid retirement plan to ensure you'll have the retirement income to support your envisioned retirement lifestyle."

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The ten tips Stein suggests you consider when choosing a retirement planning advisor are:

1. **Set Retirement Goals** – Before you can select the right retirement planning advisor, it is important to have some understanding of your retirement goals and objectives. Think about when you hope to retire, your current assets and income, and how you plan on spending your retirement years. An advisor can provide additional insight and guidance to help you set goals, but it is helpful that you have at least a basic idea of your needs before the first meeting. In addition, knowing your retirement goals will help narrow down the playing field of potential advisors.

2. **Talk to People You Trust** – A reference from someone you trust has always been the best way to find qualified help. Talk to family, friends or associates who can point you to someone who has helped them. Leverage existing relationships with financial professionals who are qualified to provide retirement planning services or can direct you to the appropriate person. These individuals may include a banker, life insurance agent, investment broker, accountant, or estate-planning attorney.

3. **Leverage Online Resources** – In addition to www.RetireOn*Your*Terms.org, most credible financial services companies offer a wealth of valuable online resources that will help you find a qualified retirement planner in your area. Be prudent, however. Some of these sites are better than others.

4. **Ask Questions –** Once you have an advisor in mind, seek to understand exactly what services he or she provides and how much it will cost. Prepare a list of questions in advance, based on feedback from people you respect who have had successful retirements. Questions may include: How long have you been practicing in this area? How do you operate? Are you licensed to sell financial products? What is your investment style (conservative, moderate, high risk)? Can you provide verifiable information about your track record?

   You should also make sure you understand and are comfortable with the process the advisor uses in making recommendations. Questions to ask include: Do you use real-time software systems and rely on several sources of financial information? Will you develop a "needs analysis" as part of the process?

5. **Get References and Credentials** – Be sure to ask for credentials and talk with many of his or her "satisfied clients." Professional qualifications and designations to look for include: Certified Financial Planner (CFP), Chartered Financial Consultants (ChFC) and Registered Financial Consultant (RFC). You don't want a rookie playing Monopoly with your retirement income. If the advisor is unwilling or unable to provide this information when asked, don't pass "Go" and don't collect $200 – find someone else. Don't worry about hurting his feelings.

6. **Make Sure They're Listening –** Does the advisor really listen to you, or just methodically fill out forms? A good advisor should make ample time for discussion, listen carefully and respect your opinions. Remember: This person works for you, and this relationship is as important as the relationships you have with your doctor and lawyer. If the advisor is not listening, get out of there – fast.

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7. **Understand How Your Advisor Gets Paid** – Understanding how your advisor makes his money should be part of your up-front discussion. Some advisors charge for their time, generally on an hourly basis. Others work on a commission based on investments you make (e.g., stocks, bonds, mutual funds), financial instruments you purchase (e.g., life, disability or long-term care insurance, variable or fixed annuities), or through service fees (e.g., certificates of deposit). You will also want to compare fees. There is wide diversity in the fees advisors charge, and often times the most expensive advisor isn't the best, while an inexpensive advisor can be very effective. Make sure you get what you pay for.

8. **Do You Get It? –** How can you trust someone you can't understand? Let's face it; financial matters can be very complicated. Therefore, it is critical that your advisor takes the time and effort to explain complex financial jargon in clear terms. Don't be impressed by someone who only uses big words and phrases. If your advisor can't easily explain financial terms in language that the average person can understand, you have to ask yourself if he really "gets it" himself. Also, the excessive use of fancy language can be a smokescreen for someone who is not playing fair.

9. **Find Out Who Else They Represent** – If you're in your 40s and just beginning the planning process, advisors who specialize in serving people immediately approaching retirement may not be the best bet for you. Likewise, if they typically counsel clients with extensive assets and large incomes, chances are that they will have less time and attention for a client with more modest resources. Your goal should be to find an advisor who represents people like you.

10. **Go With Your Gut** – Finally, your gut-level reaction to an advisor may be the most important consideration. Make sure you get along well and feel comfortable with the person. He doesn't have to be your new best friend, but if he's arrogant, rude, careless, or annoying, chances are he'll show the same level of respect to your money. Bottom line – if your gut tells you this person isn't right for you, head for the door.

Once you have selected your advisor, it is important to meet with him or her at least once per year to evaluate your investment and savings plans, and make any necessary adjustments. More information about retirement planning can be found at www.RetireOn*Your*Terms.org.

About The NRPC

The National Retirement Planning Coalition brings together leading financial industry and advocacy organizations for the purpose of educating consumers and financial industry professionals on the issues surrounding retirement planning. NRPC members include the Actuarial Foundation, the American Savings Education Council (ASEC), the International Foundation for Retirement Education (InFRE), the National Alliance for Caregiving (NAC), the National Association for Variable Annuities (NAVA), the National Preretirement Education Association (NPEA), and the Retirement Solutions Foundation.

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