

Retirement Planning Ideas

HELPFUL TIPS FROM EXPERTS


Financial Seminars—Sorting Out The Help From The Hype

(NAPSA)—Many financial advisers and firms market products and services to prospective clients through free or low-cost seminars. Seminars can be useful, but it's important to remember that seminars are often used to help sell products instead of true financial planning.

So how can consumers evaluate a presentation and determine whether attending a seminar will be useful? After the lure of a “free prime rib dinner,” will the audience have access to objective advice or will they be directed to predetermined company products?

According to Gary Diffendaffer, CFP®, executive vice president of Certified Financial Planner Board of Standards Inc. (CFP Board), personal financial planning can be a complex process. It includes insurance planning, employee benefits planning, investment planning, income tax planning, retirement planning and estate planning—all of which are inter-related.

“No single financial product—regardless of how good—is appropriate for every individual,” Diffendaffer says. “Be wary of any seminar that claims to offer a single comprehensive solution for everyone’s needs and goals. Consumers need to familiarize themselves with their options.”

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If consumers want financial planning advice, not simply to purchase a product, they should rely on planners who follow the CFP Board *Financial Planning Practice Standards*.

Those standards call upon planners to communicate compensation methods and possible conflicts of interest; establish a mutual understanding with a client of what will be done; gather, evaluate and use client data; and develop and recommend individualized solutions.

Such personalized attention exceeds the scope of what can be covered in a seminar or in a transaction focused on a product rather than the consumer.

Doing a little homework before attending a seminar can help a consumer get more out of it and make better-informed choices:

1) Be specific about your financial needs and goals: If your goal is to enjoy a comfortable, retire-

ment, what does that mean to you? At what age do you want to “shift gears” or retire? What income will you need as you make those life changes?

2) Avoid “cookie-cutter” solutions: A company’s products or services might be right for you but they may only be part of the picture. “Look for someone who will fit a plan to your situation, not squeeze your situation into their plan,” says Diffendaffer.

3) Check the presenter’s background. If he or she claims to be a CERTIFIED FINANCIAL PLANNER™ professional, it’s possible to verify that certification at www.CFP.net. You can also find out whether the planner has been publicly disciplined by CFP Board. Contact the SEC, NASD or state insurance commissioner for records of other disciplines.

4) Know your rights: CFP® professionals must follow the *Financial Planning Practice Standards* in personal financial planning engagements.

“These standards, simply worded but powerful when applied, define what consumers should be able to reasonably expect during the financial planning engagement,” Diffendaffer says.

You’ll also find free, downloadable consumer tips at the Web site at www.CFP.net.