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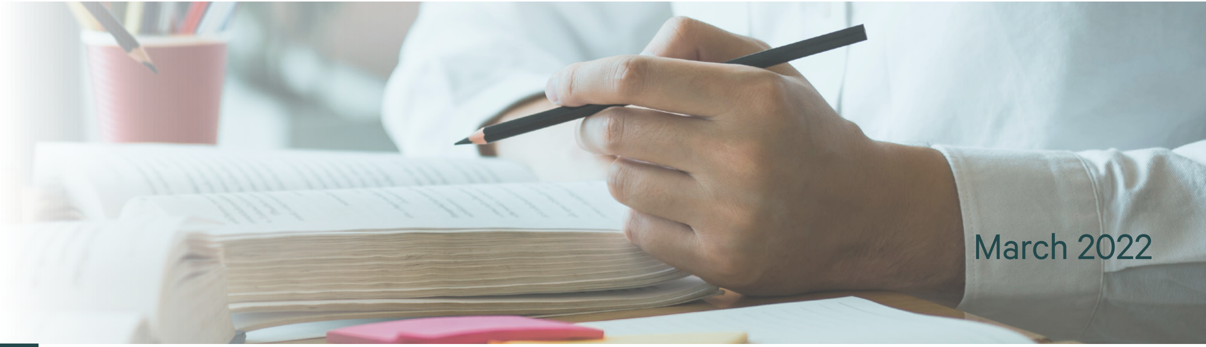


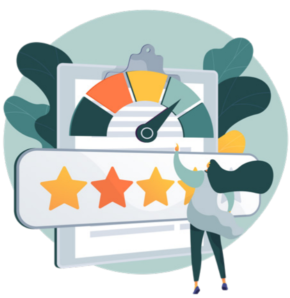
March 2022

What to Look for in a Financial Advisor

Many investors turn to professionals for guidance in achieving their financial goals. Here are seven factors for you to consider when choosing a financial advisor to partner with.

We believe good money management serves as a critical building block in achieving a high quality of life. In pursuit of this goal, financial advisors can help people manage their money, make important financial decisions, and reach their financial goals, which makes hiring a financial advisor an important decision.

So how do you choose a financial advisor? Here are seven factors we believe you should consider in your search.



1. Reputation

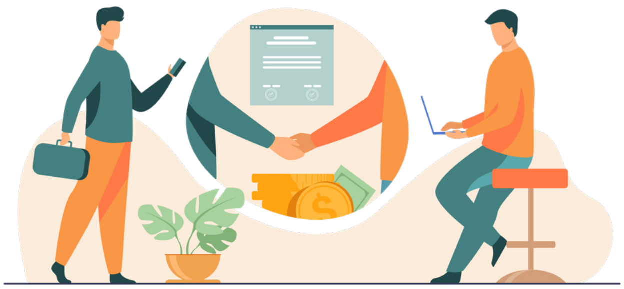
You want to find an advisor/advisory firm with a good track record. Positive referrals from friends and family are good indicators. A significant history and strong reputation in the field and your community are also excellent signs to look for.

2. Experience and Education

You want someone who has taken the time and effort to learn as much as possible. Be sure to verify your advisor's experience and credentials. There are many industry-recognized certifications, each of which can indicate a different field of knowledge. After visiting their firm website for information, you can also check an advisor's credentials and background for free at BrokerCheck.finra.org. To complete your due diligence, it's helpful to research what your advisor's credentials cover and make sure they match your expectations of the guidance they will provide you.

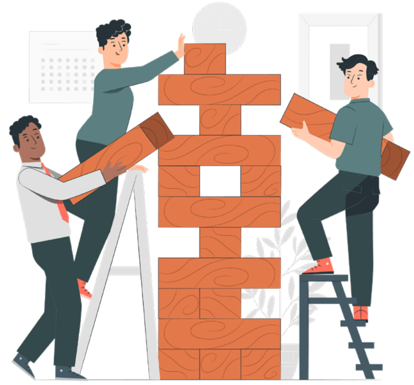
3. Holistic Viewpoint

Some advisors are specialists, but since your financial picture is interconnected, it can be helpful to hire a firm covering a broad range of services. A good financial advisor will take the time to learn about your entire financial situation, including your spending habits, debt obligations, and life goals. They should then assist you in areas from financial planning and investment management to retirement preparation and coordinate with other professionals who specialize in tax and estate planning to create a more comprehensive outline of your financial position.



4. Working Relationship

Look for an advisor who intends to meet with you and your significant others regularly throughout the year. Financial planning is not a one-and-done process. You need an advisor who is proactive about identifying opportunities and challenges and responsive to changes in your life and financial situation. They should have the patience and focus to develop an overall strategic plan but be flexible enough to adjust the plan as necessary. Good, consistent communication is an essential element of any client-advisor relationship, and your advisor should always be willing to explain any recommendations clearly and thoroughly. You should feel comfortable trusting their guidance.



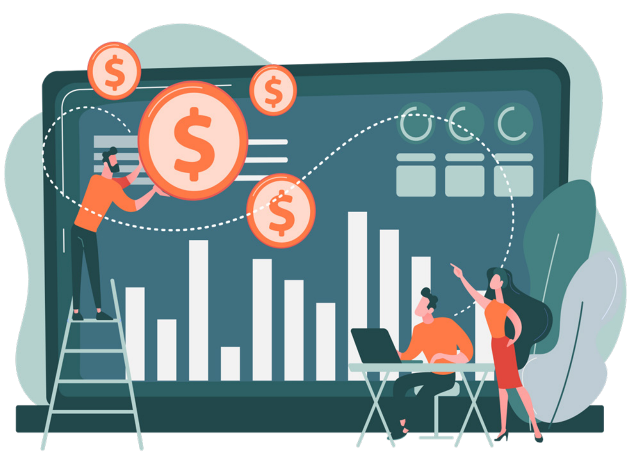
5. Support Team

Does your advisor have access to estate planners, investment analysts, portfolio managers, retirement specialists, debt consolidation, and restructuring specialists? In our view, a firm with a sophisticated support team of investment and wealth management experts, as well as access to third-party vendors and specialists, may be better equipped to help you reach your financial goals.

6. Fiduciary Responsibility

Is your advisor a "fiduciary"? "Fiduciary" means an individual who has a legal and ethical responsibility for acting in the best interest of their clients above all else, including their own interest. Fiduciaries have an obligation to provide their clients with undivided loyalty and to always act in good faith. They must provide their clients with full and fair disclosure about any material conflicts of interest that could affect their advice, and they must ensure that recommendations that are made for their clients are reasonable, fair, and balanced, and made only for the benefit of the client and not the advisor.[1]

That's the highest standard of client care. Make sure to inquire with your financial advisor as to their role and responsibilities as a fiduciary.



7. Payment Structure

Advisors can use a variety of fee structures:

- Assets under management: A fee based on a percentage of the amount of money an advisor is managing for you
- Flat annual fee
- Hourly fee
- Per-plan fee: Typically, a one-time fee paid for a comprehensive financial plan
- Commissions: Fees paid to an advisor based on selling a specific product or trading securities

It's important to clearly understand the fee structure used by your advisor and how it impacts how much you will pay for services and affect your assets. Additional information about an advisor's firm's fees can be found in their Forms ADV Part 2A and CRS. Furthermore, be sure to have conversations with your advisor about their fee structures so you can fully understand their impact on your assets.

1 *"Information for Newly-Registered Investment Advisers." U.S. Securities and Exchange Commission,* *https://www.sec.gov/divisions/investment/advoverview.htm*.

Ready to Establish a Partnership You Can Trust?

At Kayne Anderson Rudnick, our proactive wealth advising model means we are prepared to take advantage of new opportunities as they arise. And as circumstances in your life change, we're ready with a strategy that adjusts to your changing needs. Contact us today to find the expert personal service your financial picture deserves.

Kayne Anderson Rudnick is an investment firm specializing in high-quality investment and wealth management strategies. The firm has over a 30-year history serving a diverse client base that includes high-net-worth individuals, corporations, endowments, foundations, public entities, taft-hartley clients, and mutual funds. Kayne Anderson Rudnick is known for its commitment to high-quality investment strategies and business practices. For more information, please visit www.kayne.com.