Where to put your money

We judge advice and brokerage service at major financial companies

DEPOSIT $75,000 or more into a new or existing brokerage account at Charles Schwab and you could be eligible for a new Android smart phone. Move your money to TD Ameritrade and get 60 days of commission-free online trading and a possible bonus of up to $600. Bank of America's Merrill Edge has up to $500 waiting for anyone opening a new IRA.

At Fidelity and Schwab, clients can get a complimentary investment plan created by a financial adviser. Merrill Edge has a similar offer for clients with less than $250,000 in "investable assets"—stocks, bonds, and mutual funds, for instance. Establishing, transferring, or rolling over $100,000 or more to T. Rowe Price entitles you to a free asset-allocation plan and savings or income analysis prepared by an advisory counsel under the supervision of a certified financial planner. Vanguard offers a free plan by a CFP if you transfer or roll over at least $100,000.

Whether you're a seasoned investor, a newbie, or someone retesting the waters after a scary loss, financial-services companies want your business. But aside from potential incentives, what will you get for moving your accounts? Is the service up to par? Is even free advice worth your time?

Consumer Reports investigated what financial-services companies are really providing to their customers. We surveyed our online subscribers about their experiences with their brokers. We sent staff members into brokerage offices in New York and Washington state to experience how clients seeking advice are served. And we asked major financial-services companies to prepare investment plans based on the profiles of five of those staff members. Two independent financial planners and

DID YOU KNOW?

37%

That's the percentage of survey respondents who selected their brokerage based on a recommendation from family, friends, or a professional.

ILLUSTRATIONS: KEITH NEGLEY

their teams evaluated the appropriateness of the advice in the companies' plans.

Our results reveal good news and cautionary notes. If you're an active investor, like most of the subscribers who responded to our survey, you can feel good about the level of service and help you'll get at major U.S. brokerages, we found. We also discovered that investors of all stripes can get free, basic investment plans from several financial companies. But to make the most of that advice, you'll need to understand the process and be aware of the plans' limitations.

Highlights of our three-pronged investigation include the following:

- Our readers were very satisfied with 10 of 13 major brokerages. USAA's brokerage arm led in overall satisfaction. Scottrade, an online broker, and Vanguard, the mutual-fund giant, also scored very highly overall as well.
- In our field test, participants encountered some questionable sales tactics. One staff member was shown a chart on a portfolio's performance that omitted the significant impact of fees. Another tester was pitched a complicated annuity product though the adviser knew little about her.
- Plans prepared for us by Citibank and T. Rowe Price had somewhat more appropriate advice. Two expert financial planners analyzed 20 investment plans created for us by Citibank, Fidelity, Schwab, and T. Rowe Price, and judged them about equally good. Citi and T. Rowe Price earned somewhat higher marks for the appropriateness of investment recommendations. Citibank's approach toward planning was deemed more comprehensive than the others'.

Still, our judges found inappropriate advice in several plans. They also found most of the documents to be filled with boilerplate language and short on real, actionable advice.

Judging the free advice

We learned that free investment advice from financial companies is not always free. To be eligible, you have to have an account, and some companies require a specified level of assets.

Most of the financial advisers we encountered at that entry level appear to be brokers (also referred to as registered representatives) and not certified financial planners. The distinction is important: CFPs pledge to adhere to a fiduciary standard, meaning they must put their clients' interests ahead of their own and disclose all conflicts of interest. Brokers are held to a suitability standard, meaning only that their recommendations must be suitable for you. So a broker could suggest a particular mutual fund that fits your asset-allocation needs but has higher fees than other, comparable options. (Complicating matters, brokers might also be "dually registered" as investment advisers. And as advisers, they're held to the fiduciary standard, but they can switch hats and be held to the suitability standard when selling products to follow through on their recommendations.)

You'll need to have an account before you can get free investment advice.

There's no arguing with the price, but we wondered whether free advice was worth consumers' time. So in late summer and early fall last year, seven Consumer Reports employees in New York and Washington state went as themselves to branch offices or websites of banks and investment companies where they held accounts and asked each for an investment plan. They didn't mention that they also were doing research for a CR article.

We also sent profiles and financial information for five of the testers, who were not identified, to four major financial companies—Charles Schwab, Citibank, Fidelity, and T. Rowe Price. The companies received identical information but were

Pitches, hedges, and fudges: What to look out for

Whether you're paying for advice or getting it free, keep an eye out for these red flags seen by our testers who shopped recently for investment plans:

Variable annuity pitch. One tester in her mid-50s and focused on early retirement was offered a Prudential variable annuity at her first meeting with a Citibank adviser. Variable annuities, marketed to preretirees seeking guaranteed income, are complex insurance products that can include costly embedded fees. "A variable annuity has a number of tax- and investment-related features that would demand extensive analysis before a recommendation is made," said David Yeske, a certified financial planner who served as one of our project judges. If an adviser brings this up after just meeting you, find someone else.

Focus on proprietary funds. Some testers received recommendations that included mainly funds from the investment company they were visiting. No surprise there. But always ask what other, similar alternatives are available, and at what cost; you'll want funds with low expense ratios. Sometimes the house brand might be the best option.

Sealed lips on compensation. Few of the advisers our testers met in branch offices volunteered how they were compensated. You have a right to know whether the adviser is being paid a salary, a commission based on sales, a percentage of the assets managed, or some other way. Ask on your first visit. And once you see the adviser's detailed investment recommendation, ask again for a full accounting of the fees involved with purchasing the investments, holding them over time, and selling them.

Target-date-fund recommendation. If you don't have a large retirement nest egg, your adviser might suggest a target-date fund, which is a portfolio of stock and bond funds based on your expected retirement date. Over time the asset mix shifts to favor bonds. Target-date funds appear to be good options for investors who want to manage their own accounts with little fuss. But the Consumer Reports Money Lab's recent study of 156 target-date funds found that high expenses were one drag on their performance. Of the 26 fund families that have offered target-date funds for at least four years, more than half had funds with expense ratios exceeding 1 percent of assets, on average. (Vanguard's index-based target-date funds in our study were the cheapest, with average expenses below 0.2 percent.) Ask the adviser to lay out the costs and alternatives.

Silence on fiduciary duty. None of the branch-office and phone advisers at the brokerages and banks mentioned fiduciary duty—that is, an obligation to act in the best interest of the client. We surmise that most were acting as brokers, who need only make "suitable" recommendations. If your adviser doesn't volunteer his or her credentials, ask for them.

allowed to e-mail the participants additional questions through a reporter. Testers also filled out the companies' questionnaires, which asked about their tolerance for risk and other concerns. (Four companies—JPMorgan Chase, Merrill Lynch/Bank of America, Vanguard, and Wells Fargo—declined to participate.)

What our testers found

Two seasoned certified financial planners and their staffs judged the plans the companies sent back on a number of criteria, such as appropriateness of investment recommendations, ease of use, and quality of the overall process. Diahann W. Lassus, CFP, CPA/PFS, is president and chief investment officer of Lassus Wherley, a fee-only financial-planning company in New Providence, N.J., and Bonita Springs, Fla., and past chair of the National Association of Personal Financial Advisors. David Yeske, CFP, is managing director of Yeske Buie, a fee-only planning firm in San Francisco and Vienna, Va., past chairman of the Financial Planning Association, and distinguished adjunct professor at Golden Gate University, focusing on financial and insurance planning.

Our test subjects faced both subtle and strong sales pitches.

Our judges also commented on several plans obtained in the field test, some of which were from the four companies. (We sent the plans masked of identifiers to reduce judges' bias.)

In the field, our test subjects learned that advice doesn't always come easy. Those without a significant amount of assets, or the right kinds of assets, were sometimes rebuffed. Katerina, 33, who wished to roll over a five-figure Merrill 401(k) to a Merrill IRA, found that by law she couldn't get advice until she moved that money. When a tester with a Citibank account asked an adviser for free advice without committing to moving additional money to Citi, the rep asked her, "Why would I do that?" (The rep later provided advice after the tester showed her financial statement.)

At Fidelity, clients with an account of any size can in theory walk into an office or call an 800 number for a free consultation and guided tour through Fidelity's planning software. (Fidelity says the software its advisers use is essentially the same as what you'll find on its website.) But unless your investable assets are worth at least $250,000, you're not guaranteed a dedicated Fidelity adviser. "I would be as-

Our financial foot soldiers

The Consumer Reports employees below were part of our field test of brokerages. We also sent their profiles, with their identities masked, to the four financial-services companies that agreed to participate in this project.

Young, single man

Curtis, 34, wanted advice on his portfolio, which outside his 401(k) consists principally of $26,000 in stock. He's open to aggressive investing, and his plans reflected that. They recommended from 0 to 5 percent in cash, appropriate for his age. Citi's plan—52 percent large-cap stock, 8 percent mid-cap, 8 percent small-cap, 20 percent international, 10 percent emerging markets, and 2 percent cash—was the most aggressive. With such a small portfolio, Curtis wouldn't be entitled to a free plan in many cases. Still, Diahann Lassus, a financial planner who judged the plans, faulted those companies for not addressing his cash flow or telling him how to carry out their recommendations.

Single, midcareer woman

At 53, Carolee is focused on paying down credit-card debt and building her nest egg: currently about $100,000, split between an IRA rollover and 401(k). She's a financial novice with no interest in researching money decisions on her own. Fidelity offered her two choices for money outside her 401(k): a professionally managed account or a "single-fund approach" with either a target-risk fund that allocates 70 percent of her investments in stock or a 2025 target-date fund, which shifts the asset mix from aggressive to conservative as she gets closer to retirement. Lassus suggested Carolee ask a planner to help compare options among such funds, which vary in expenses and performance.

Married, with two children

Thomas and Jean, ages 44 and 45, face a conundrum: fund college for their children or focus on retirement? They make more than $200,000 annually, but their cash flow is hampered by credit-card debt, a second mortgage, and the high cost of living in New York. Schwab offered the couple two options, one of which cut retirement savings to fund education and help pay off credit-card debt. "This is not the type of recommendation we would make without a lot of education around the risks involved," Lassus said. David Yeske, another judge, faulted T. Rowe Price for tackling only the couple's retirement, with no mention of paying down debt, funding college, or building an emergency fund.

signed to a strategy adviser group of 75 to 85 people, not to any one adviser," noted Carolee, a midcareer staffer, after a phone consultation with Fidelity. For that group service, she was told she'd be charged about 1.13 percent of her account per year.

Once in the door, our subjects faced both subtle and strong sales pitches. "He sent me pretty quickly to his recommendation: a balanced, managed set of funds," said David, our "empty-nester," after a first visit to a Chase office in suburban Seattle, "without reviewing or comparing the other options."

The company representatives' had titles such as "account executive," "financial adviser," "financial consultant," "financial planning specialist," and "investment adviser." Just three of the nine advisers consulted by the test participants seemed to hold a certified-financial-planner designation. And the advisers didn't initially mention or were often vague about how they'd be compensated, with one exception: a Citi adviser who said she was "salary based."

The finished product

Most of our participants received an initial plan at their second visit. Some spoke in the interim on the phone to supply more information. David, our tester outside Seattle, was very satisfied with his Schwab adviser's research. The adviser reviewed his client's investment statements, spending records for the prior six months, current income information, and expected income in retirement. "He spotted immediately that our top priority is not our retirement investments but the restoration of our emergency-cash reserve," David said.

In New York, Thomas, a 44-year-old father of two, visited a Fidelity adviser with his wife and got an initial plan after just one visit of almost 2 hours and some follow-up phone calls. They discussed the role of diversification, asset allocation, the risks associated with various investments, expenses and costs, tax implications, and how various life decisions could affect returns. "The meeting was relaxed, not rushed," Thomas reported. "He seemed to do a decent job of hearing our concerns." That jibes with our survey results, showing that Fidelity and Schwab clients were happy with the helpfulness, specificity, and clarity of the advice given.

Other testers had less satisfying experiences. At his third visit to the Chase office, David was shown a historic simulation report that compared the 11-year performance of the Chase Strategic Portfolio, 5.98 percent, with a benchmark index's 3.87 percent. But the report didn't take into account Chase's annual management fees

Empty-nesters

David and Joanne, ages 55 and 61, plan to retire at different times. They've amassed a nest egg of more than $1 million and have little debt. But they're leery of financial advisers and want to invest conservatively. Schwab recommended they invest almost 80 percent of their holdings in fixed-income and cash investments. The other companies recommended stock allocations of 50 percent. Lassus said a stock position of 55 percent to 65 percent was more appropriate for this couple. "We have a responsibility to balance what they want with what we believe they need and design a portfolio to try and meet that need," she said.

Preretiree

Don, a 60-year-old widower, plans to retire in the next year or two with investable assets of about $1 million and a fairly generous pension. He prefers investments that are less risky. Citi, Fidelity, Schwab, and T. Rowe Price all recommended that Don invest 50 percent of his funds in bonds and cash. The judges felt that, like David and Joanne's investments, Don's allocations were timid, considering the inflation Don could face over so many years in retirement. At minimum, Yeske said, he should invest 70 percent in equities. With a pension providing most of his income, he could step that allocation up to as much as 80 percent.

Advice for retirees

Though none of our testers was retired, any retiree's financial plan should include these elements, among others:

- Projections of your cash flow and return from investments. A good planner can tell you whether the common guideline—to withdraw an average of 3 to 4 percent of your assets annually—will work for your situation.
- A schedule of when and how much to withdraw from taxable and tax-deferred accounts.
- Timing of gifts to charities and family members.
- A discussion of estate-planning concerns, including insurance, wills, and other end-of-life documents.
- An analysis of options for claiming Social Security benefits if you haven't already done so. Waiting to start collecting until after your full retirement age can raise your monthly benefit significantly. So can properly timing a claim for spousal benefits.

of 1.6 percent for the first $250,000 in assets, which would lower the portfolio's performance to 4.38 percent, not much above the benchmark. Lassus told us that Chase's 1.6 percent management fee was higher than the usual 0.75 to 1.5 percent. Both judges agreed that the illustration wasn't consumer-friendly.

"Even when reporting aggregate performance for all portfolios combined, we account for fees," Yeske said. "We feel it's a fuller form of disclosure."

In general, Lassus said, the plans generated by advisers in the field offices were not as high-quality as what the corporate offices provided. That should come as no surprise, given that the corporate-based advisers ostensibly had lots of eyes viewing their plans. Nonetheless, only one plan from any source, a Vanguard plan created for Don, 60, considered the tax implications of changing his investments. "They projected estimated capital gain or loss for each transaction," Lassus said. "This was a good feature."

Results of our corporate test

Citibank, Fidelity, Schwab, and T. Rowe Price all made it clear that the plans they were providing for our project were not based on an ideal process. (Moreover, consumers can't access the experts in those companies the way Consumer Reports did for this test.) Normally, planners would have an ongoing conversation with the client. The back-and-forth over several sessions would help the advisers fine-tune the plans and gauge a customer's reaction to recommendations. Even after implementing a plan, an adviser would contact the customer at least once a year to adapt the plan as needed. "This is definitely an ongoing process," said Brennan Miller, a Charles Schwab financial consultant in Northbrook, Ill., who participated in the project.

8 questions to ask an adviser

Whether you deal with an independent financial professional or one who works at a financial institution, make sure the adviser completely understands your situation, needs, and goals. And get answers to these questions:

- How are you being paid? Is it a salary, commissions, fees based on assets, hourly, or a flat fee?
- What is your objective in offering a free plan? Are you looking to sell products or is this a loss leader to encourage me to sign on with you?
- What are the transaction fees and expenses related to the recommended investments? What, if any, are the fund's 12b-1 sales fees and loads? Are the loads paid up front or when I sell the fund?
- What are the potential conflicts of interest in the funds you recommend? What, if any, is your incentive to recommend one fund family over another?
- How do you or your firm choose the funds you recommend?
- What's your educational and professional background? How much experience do you have advising investors like me?
- How will you carry out or help me carry out my plan? Will you provide a step-by-step action plan?
- How much follow-up will we have, and what will it cost?

Many of the plans provided only asset allocations, not more specific recommendations. The plans offered us a look at each company's approach to financial planning. And the companies' plans had some features in common.

Plans were often long and confusing. Plans from the field and from the corporate planners were often larded with boilerplate language as well as unnecessary tables and graphs. In general, Citi and Schwab were the worst offenders, with most plans running more than 70 pages long. "Too much to keep track of," Yeske said.

Advice didn't always address clients' questions. T. Rowe Price's plan for Thomas and Jean didn't include their goal of saving for college for their two children. And it wasn't able to accommodate David and Joanne's plans to retire six years apart. A T. Rowe Price planner later told us that the company's software is designed only to address retirement and asset allocation—and only when both members of a couple plan to stop work at around the same time. "It's really just a function of our systems and our modeling," she said.

Plans left out explanations. Plans generally advised a mix of large-cap, mid-cap, and small-cap stock mutual funds, as well as international holdings and bond funds, but none explained what the asset categories meant. (Large-cap stocks, such as those in the Standard & Poor's 500 index, are major companies with market values of more than $4 billion. Mid-cap stocks generally have values between $1 billion and $4 billion, and small-cap companies are valued at less than $1.4 billion. Smaller companies generally are riskier, though they have greater potential for growth than large-cap stocks.)

Asset allocations tended to be conservative. Every company hewed to an asset allocation of 50 percent in equities for Don, our tester on the cusp of retirement. Yeske's team labeled that ratio as low for such a young retiree. Even a low average annual inflation rate of 3.5 percent would double a retiree's cost of living in 20 years, Yeske said. For that reason, he'd recommend a young retiree, especially one like Don, with a sizable pension, put at least 70 percent in stocks to hedge against inflation. Maria Selca-Maher, a planner from Citi, said her team had reduced Don's original equity allocation based on guidance from her company's chief investment officer. "In an actual relationship," she said, "Don's financial adviser would continue to review his portfolio and make adjustments based upon his needs and Citi's investment research."

Our judges also found good advice and some nice personalized touches. Fidelity offered some detailed recommendations up front for all five clients. Yeske's group praised Citi's timeline to follow through on its advice, as well as the company's research on long-term-care insurance options for Don, the preretiree. The judges praised T. Rowe Price's reports for their

DID YOU KNOW?

95%

That's the percentage of USAA Brokerage Services or Vanguard customers who reported none of the following: unexpected fees, inappropriate advice, or pressure to buy an investment.

relative brevity and readability.

Yeske's team said that the plans need to be accompanied by time-intensive discussions and follow-up. Lassus was a bit more generous: "Individuals who are just getting started might find this type of planning helpful in terms of the education and the process," she told us. "The process also pushes them to think about their goals and objectives."

What you should do

If you can't afford to pay much for investment advice and you satisfy your financial-service company's criteria for getting a free plan, ask for one. Just be aware of their limitations and potential strings. "The companies are not doing the free plan for altruistic reasons," Lassus said. "They are doing it to accomplish an objective: selling products or establishing a relationship for the long term."

Following these steps will help you get the most personalized plan possible:

Don't hold back information. Most of the corporate-based planners told us afterward that they found it easier to plan for David and Joanne, who volunteered the most about themselves and their attitudes about money. Judges said they gave Citibank and T. Rowe Price plaudits for asking

Our readers rate brokerage firms

All the brokerages in our survey of online subscribers earned high marks for customer service, and for helpfulness, specificity, and clarity of the financial advice provided. The higher the respondents' balances, the more satisfied they tended to be, therefore the Reader score was adjusted for account size. The strongest predictor of satisfaction was how much their accounts had grown.

Notably, our brokerage ratings appear to reflect the experience of active investors. Sixty-one percent of survey respondents reported having more than one brokerage account. Of the respondents who made trades in the past 12 months, more than half—54 percent—had traded from six to more than 20 times. The advice those readers experienced could have been anything from a quick confirming phone call to a full-blown financial plan.

USAA leads in satisfaction

No one type of brokerage led the pack. Top-ranked USAA is part of a financial company with insurance, banking, and brokerage services. Scottrade and Vanguard, which tied for second place, are respectively an online brokerage and a mutual-fund company.

Wells Fargo, Merrill Edge/Bank of America, and Morgan Stanley Smith Barney scored lower than other brokerages. The survey didn't take into account whether recent mergers affected our readers' judgments of their service. Wells Fargo was in the midst of integrating Wachovia over the survey period. Morgan Stanley's merger with Citigroup's Smith Barney unit was unveiled in 2009. Bank of America had completed its purchase of Merrill Lynch.

Within customer service, consumers had the most gripes about how their brokerages had handled errors or mistakes; 37 percent were less than highly satisfied in that category. Seventeen percent of respondents going online for help reported that they couldn't find information they needed on their brokerage's website.

Fees also irked some consumers. Ten percent of those reporting on Merrill Edge and 9 percent reporting on Morgan Stanley said they'd been charged unexpected fees.

Ratings Discount/online brokerages

Better ← → Worse: ● (red, full) ◓ (red, half) ○ ◒ (black, half) ● (black, full)

Brokerage	Reader score (0–100)	Survey results: Customer service	Financial advice	Website usability	Phone service	Account information: Minimum balance to open account	Standard stock-trading commission
USAA Brokerage Services	93	● red full	–	◓ red half	–	none	$8.95
Scottrade	89	◓ red half	–	◓ red half	○	$ 500	7.00
Vanguard Brokerage Services	89	● red full	● red full	◓ red half	○	3,000	7.00
Charles Schwab	84	● red full	● red full	◓ red half	○	1,000	8.95
TD Ameritrade	83	◓ red half	–	◓ red half	◒ black half	500	9.99
E-Trade	82	–	–	○	–	500	9.99
Fidelity Brokerage Services	81	● red full	◓ red half	◓ red half	○	2,500	7.95
WellsTrade (Wells Fargo)	74	◓ red half	◓ red half	○	◒ black half	1,000	19.95
Merrill Edge/Bank of America	72	◓ red half	◓ red half	○	○	none	6.95

Ratings Full-service brokerages

Brokerage	Reader score (0–100)	Survey results: Customer service	Financial advice	Website usability	Phone service	Account information: Minimum investment required	Lowest-tier fee (% of assets, per year)
Edward Jones	83	● red full	● red full	–	◓ red half	$50,000	1.35-1.50%
Raymond James	82	–	● red full	–	–	50,000	1.25-1.75%
Ameriprise	80	◓ red half	● red full	–	–	25,000	up to 2%
Morgan Stanley Smith Barney	71	◓ red half	◓ red half	–	○	25,000	up to 2%

Dash (–) indicates insufficient data.

Guide to the Ratings

Ratings are based on a 2011 Consumer Reports National Research Center online survey of 7,327 ConsumerReports.org subscribers reporting on their experiences with brokerage firms between October 2010 and October 2011. The **reader score** (statistically adjusted for account size) represents overall satisfaction with the brokerage firm but is not limited to the factors listed under **survey results.** If all respondents were completely satisfied, the reader score would be 100; a score of 80 indicates respondents were "very satisfied" on average; 60, "fairly well satisfied"; and 40, "somewhat dissatisfied." Differences of less than 4 points are not meaningful. **Customer service** and **website usability** are based on ratings of excellence in various aspects of each service. **Financial advice** measures the helpfulness, specificity, and clarity of the advice provided. **Phone service** reflects the percentages who reported no specific problems. Account information on minimums, commissions, and fees are samples because the companies offer different types of accounts. For full-service brokerages, **minimum investment required** shows the amount of assets subject to the company's highest percentage fee. Ratings are based on the experiences of ConsumerReports.org subscribers, who might not be representative of the general U.S. population.

good follow-up questions. In theory, the more questions you answer—and ask—the better your plan is likely to be.

Take the time needed. Most of our participants who got plans in the field visited or talked with their advisers just once or twice before receiving an initial plan. But to get the best plan, you'll need to have an ongoing conversation with the adviser. Planners we interviewed said they recommend revisiting the plan at least once a year with an adviser, and often much more frequently. "We talk to customers throughout the year," said David Olsen, a regional planning consultant in New England for Fidelity Investments.

Get organized. Our testers spent from 20 minutes to around 20 hours collecting all the information the advisers needed. (The median time spent was 3½ hours.) "This has been a useful exercise already," David said. "This is the first time in years that we have added up all our investments and pensions to see where we really stand."

Some plans were larded with graphs and unnecessary boilerplate text.

Before you visit an adviser, gather your most recent investment statements, including those from employer-sponsored retirement plans, estimates of any expected pension income, tax returns for the past two years, details of your life-insurance coverage, and six months' worth of spending records. (Intuit's Quicken and its free online cousin, Mint, offer good ways to track spending.)

Our judges agreed that spending more time with an adviser would add the most value to any plan. During those conversations, insist on understandable explanations for the recommendations and the full cost of carrying them out.

Get a second opinion. For a fee of a few hundred dollars, less than you'd pay for a full-fledged financial plan, you can bounce your adviser's plan off of a professional planner. For example, the Garrett Planning Network *(www.garrettplanningnetwork.com)*, made up of more than 300 independent financial advisers, offers hourly, as-needed financial planning and advice. In fact, it wouldn't hurt to let your adviser know that another expert will review your plan, just to keep him on his toes.

ConsumerReports
MoneyAdviser™

FREE OFFER

Can you tell the difference between...
good and *bad* financial advice?

Good or Bad Advice? (Check your answers below)	Good Advice	Bad Advice
1. The best place to stash cash now is a money market account	☐	☐
2. You can afford to retire on 75% of your pre-retirement income	☐	☐
3. Class B mutual funds are as good as no-load mutual funds	☐	☐

There is so much *"bad"* financial advice out there, it makes sense to turn to the *"good"* advice you'll find in **Consumer Reports Money Adviser.**

Consumer Reports Money Adviser is brought to you from Consumer Reports. Like the magazine, *Money Adviser* is expert, independent and nonprofit.

You'll find easy ways to help keep your money safe...ensure that your financial future is secure and comfortable...boost your investment profits...and learn what your broker, your banker, your accountant *won't* tell you.

- Find a financial planner you can trust
- Determine whether you can retire early
- Get the best deals on credit cards
- What salespeople aren't telling you about annuities
- Organize your will, power of attorney and estate – *easily*

For "good" financial advice, turn to the source you can trust. Send for a free copy of Consumer Reports Money Adviser. For details see the attached post-paid card.

Answers:

1. GOOD ADVICE. If keeping ahead of inflation without any significant risk appeals to you, consider a high-yield money market account for your cash reserves.

2. BAD ADVICE. New research shows that the old notion of retiring on 75% of your pre-retirement income does NOT apply to most people. A BETTER PLAN: Keep part of your portfolio invested in stocks, even after you retire, to generate additional income.

3. BAD ADVICE. Brokers will sometimes tell you – *misleadingly* – that B shares are just like no-load funds. But when you redeem B shares you are charged a fee that's *higher* than no-load funds. A BETTER PLAN: Avoid Class B shares.

SD224A