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***NOT ALL FEES ARE CREATED EQUAL***

*In the investment world there are different ways advisers get paid.  A****fee-only adviser,****such as myself, charges a percentage of assets under management.  A fee-only adviser is required to act as a****fiduciary****and put the clients interests first.  A****registered representative, or broker,****is a commissioned agent, who gets paid on what he sells and does not need to put the clients interests first, a****clear conflict of interest.****A third type of registration is the****dually registered adviser,****they call themselves fee-based as opposed to fee-only.****Beware this type adviser****who will****charge you a fee for managing your account and accept commissions****for products he purchases in your account.*

*Investors want growth and a degree of safety in their investments, they may feel the large banks and brokerages offer this safety.  They want to****"follow the thundering heard!"****But, what they may not realize is, the push for profits at these large brokerages drives investment selections, these firms will often push****proprietary investment products****enabling them to charge a second layer of investment management fees, often times not disclosed to the investor. These banks and brokerages may entice the client with a low management fee but, when including the****expense ratios****of the investment products being used, the****total "all in" fees are usually higher****than using an independent adviser.*

*A recent trend at these large banks and brokerages is to have their brokers sell other products for the companies betterment.   In fact, the brokers compensation on investment products is reduced if they don't****cross sell other products,****these products might range anywhere from credit cards to mortgages. These large brokerage firms won't offer a mutual fund unless that fund company pays a fee to them. Additionally, if your broker pushes a managed account with an assortment of buy listed stocks by their analysts, they may have an investment banking relationship with these companies, in which they are collecting large investment banking fees, another clear conflict of interest.*

*In addition to these investment pitfalls, insurance agents are now registered to sell securities.  These salesmen will generally push annuity products.  Such products as****Indexed Annuities,****which**promise to offer exposure to stocks with no downside risk offer****little return at all, are not transparent, and are highly illiquid,****but are very profitable for the salesperson often paying commissions of as much as 10%!*

*If you are an****accredited investor,****with income over $250,000 and investable assets of a million or more, you are open game for any scammer or snake oil salesman out there.  These individuals may be disguised (a wolf in sheep's clothing) as a portfolio manager working for a large bank, brokerage, or other, privately held, investment company.  They are probably pushing****"private placements,"****which are****unregistered, highly speculative investment products,****usually offering unrealistic returns.  These products are only offered to accredited investors, whom supposedly have the knowledge to evaluate these investments on their merits.  Don't feel flattered if you fit the definition of an accredited investor and these products are marketed to you, as they say in poker, "if you don't know who the patsy at the table is, it's probably you."*

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