



Will a Financial Professional Always Act in Your Best Interests? 1 Question Will Tell You — and It's Not 'Are You a Fiduciary?'

Asking "Are you a fiduciary?" won't tell you much about a financial professional who can switch between advisory and sales roles when working for you. Here's a better question that will clarify where you stand, 100% of the time.

BY DAVID BROMELKAMP, PUBLISHED MARCH 24, 2026

For years, investors have been trained to ask financial advisors one simple question: "Are you a fiduciary?"

It sounds smart. It sounds protective. It sounds like due diligence. But in practice, it often accomplishes very little.

If you really want to protect yourself, there's a better question to ask - one that separates marketing language from legal accountability.

Why the question 'Are you a fiduciary?' doesn't tell you much

The word "fiduciary" has powerful meaning. In general, it refers to someone who is legally obligated to act in your best interest. But here's the problem: In financial services, fiduciary duty depends on capacity, context and regulation. Many financial professionals can honestly answer "yes" to that question - at least some of the time.

For example:

- A registered investment adviser operates under the Investment Advisers Act of 1940 and owes a fiduciary duty to advisory clients.
- A retirement plan adviser may act as a fiduciary under the Employee Retirement Income Security Act of 1974 (ERISA).
- A broker may say they act in your best interest under current regulatory standards, but that is not always the same as a full fiduciary obligation.

In other words, fiduciary status is often situational. It may apply in one role but not another. It may apply to certain services but not others.

So when you ask, "Are you a fiduciary?" and the answer is, "Yes," you still don't know:

- When that duty applies
- When it does not
- Whether it covers product sales
- Whether it applies continuously
- Or whether the advisor can switch roles

That's a lot of uncertainty packed into a reassuring one-word answer.

The better question to ask

Instead of asking whether someone is a fiduciary, ask this: "Are you willing to sign an agreement acknowledging that you will act as my legal fiduciary for all advice you provide, at all times during our relationship?"

This question changes everything. Why? Because it moves the conversation from marketing to contract law.

Anyone can say they are a fiduciary. Not everyone is willing - or structurally able - to put that commitment into writing across the entire relationship.

What this question reveals

If an advisor says yes and is willing to include clear fiduciary language in your advisory agreement, that tells you:

- They are comfortable being legally accountable

- They are not planning to switch hats between advisory and sales roles
- Their business model supports a continuous fiduciary obligation

If they hesitate, that doesn't automatically mean they are unethical. But it does open an important discussion:

- When are you not acting as a fiduciary?
- Do you ever receive commissions?
- Are there situations where you are a salesperson instead of an adviser?
- How are conflicts of interest handled?

Those answers are far more meaningful than a simple yes or no.

Why 'all advice, at all times' matters

Most investors experience their financial life as one continuous relationship. You don't think about regulatory silos. You don't distinguish between advisory conversation, product recommendation and implementation. You simply assume the person across the table is acting in your best interest. But in some business models, fiduciary duty may apply in one phase and not another. That's why asking for a written acknowledgment covering *all advice at all times* brings clarity. It aligns the legal structure with how you naturally experience the relationship.

Don't confuse titles with protection

"Fiduciary" is not a personality trait. It is a legal standard. And legal standards matter most when they are clearly defined, properly documented and enforceable. Your goal as an investor isn't to win a vocabulary test. Your goal is to reduce conflicts, increase transparency and ensure accountability.

A smarter way to interview a financial professional

When meeting with a prospective financial advisor, consider asking:

- Under what law are you acting as a fiduciary?
- When does your fiduciary duty begin and end?
- Are you always acting as a fiduciary when working with me?

- How are you compensated?
- Are you willing to put your fiduciary commitment to me in writing for all of the advice that you provide?

Those questions lead to a real conversation about structure, incentives and alignment. And that conversation is far more valuable than a simple "yes."

If you want better financial advice, don't just ask for the word fiduciary. Ask for the legal commitment behind it.



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David Bromelkamp is an investor advocate and the founder of AdvisorSmart®, which was established in 2018 to provide investors with the education they need to access better financial advice. Sometimes referred to as the "Jerry Maguire of Financial Advice," he is passionate about objective financial advice and is leading the charge to educate investors about the best approach to finding and retaining objective, fee-only fiduciary financial advisors. His first book, *AdvisorSmart for the Individual Investor: Your Guide to Selecting a Financial Advisor to Get Better Financial Advice*, was released in April 2025 to arm consumers with the knowledge they need to succeed.

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