



UNDERSTANDING THE ROLE OF  
A FINANCIAL ADVISOR

# PROTECT

Your family, assets,  
investments and  
income in retirement



01

## Two primary types of Financial Advisor

**Tied Agent** - a financial services sales representative who is authorised to give financial advice but is restricted to recommending products from their employer or institution to whom they are affiliated with

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**Financial Advisor** - a financial services representative who provides the consumer with the most suitable financial advice based on their individual situation utilising solutions from a range of product providers

## Standards

To act as a Financial Advisor one must:

- ✓ Be approved by the Central Bank of Ireland
- ✓ Submit annual accounts to the Central bank
- ✓ Be suitably qualified and hold a recognised qualification
- ✓ Fulfill annual CPD training [*Continual Professional Development*]

## The role of a Financial Advisor is to:

- ✓ Analyse your current financial situation
- ✓ Act exclusively in your best interests
- ✓ Provide accurate unbiased financial advice
- ✓ Ensure you easily understand your financial situation

## The process

step 1

### Initial Meeting

- ✓ Factfinding - your advisor will gather all the required information
- ✓ Understand your financial needs, goals and objectives
- ✓ Understand your priorities and agree them with you

step 2

### The Advisor will

- ✓ Collate and analyse the information provided at the 1<sup>st</sup> meeting
- ✓ Consult with any suitable third party experts as required
- ✓ Construct an outline plan and draw up potential solutions
- ✓ Produce suitable recommendations



### step 3

#### Presentation and follow up meeting

- ✓ Present the outline plan and possible recommendations
- ✓ Walk you through the analysis with suitable reports
- ✓ Confirm you understand the information
- ✓ Agree on recommendations to be implemented
- ✓ Implement your financial plan and agree on schedule of future review meetings

#### Assessment priorities

- ✓ Your advisor will gather relevant information and facts in order to produce a suitable recommendation
- ✓ They will then prioritise your financial needs as follows:

Ensure your family and assets are protected in the event of:

- Death
- Serious Illness
- Long term illness
- Loss of income

Retirement:

There is a suitable pension structure in place to ensure you have adequate income in retirement to maintain your desired standard of living

Investments / Savings:

You have sufficient capital in place to fund future events such as children's education, dream holiday etc

#### The Future

You and your Financial Advisor should agree to meet at least annually to review your financial situation. Your advisor will monitor and adjust the initial recommendation if required as your situation changes.

## Support structure for Financial Advisors

Some Financial Advisors operate individually and deal with all aspects of their business, including administration and processing when providing services to their clients.

This type of structure can be challenging in providing a highly efficient service and can limit the expertise available in providing a best-in-class service.

If you are reading this brochure it means your advisor utilises the expertise and support services from a firm who specialises in providing infrastructural and service support to Financial Advisors.

This ensures your advisor has

- ✓ The necessary time to advise you
- ✓ Access to a team of experts across all financial products
- ✓ Access to skilled administrators & systems
- ✓ Safeguards around all your personal data
- ✓ Access to optimum software for suitable analysis
- ✓ Committed to delivering a uniquely high service to their clients
- ✓ Agreed to operate to highest minimum standards

## Mortgage Placement Service for Consumers

### Negatives in dealing with Lenders on your own

- ✓ A consumer trying to deal directly with lending Institutions can be challenging, confusing and frustrating
- ✓ One cannot know which lenders may be willing to provide the required mortgage at the lowest cost available
- ✓ If you end up paying more than is necessary then over the life of a mortgage this can become thousands of Euro wasted
- ✓ During the mortgage term better options may become available which lenders tend not to inform existing clients about
- ✓ If a mortgage application is presented in an orderly and efficient fashion the potential of approval is higher

### Benefits of using a Mortgage Broking Service

- ✓ Single application form suitable for all lenders greatly reduces paperwork
- ✓ No requirement to visit different lenders and provide all your details
- ✓ Guarantee access to lowest cost mortgage available for your circumstances
- ✓ Higher probability of approval as well prepared applications more often get approved
- ✓ All paperwork looked after on your behalf for all potential lenders
- ✓ INDEPENDENT guidance on most suitable mortgage for you specific circumstances
- ✓ Single report shows you the rates and special offers of ALL lenders
- ✓ Ongoing review of new mortgage options ensures you are kept on lowest cost available

