Foster & Motley
WEALTH MANAGEMENT

How Should You Vet a Financial Advisor?

> Choosing an advisor is one of the most consequential financial decisions you will make. These are the questions you should ask any firm you are considering.

The questions, and what to listen for:

1. How are you compensated?

WHAT TO LISTEN FOR

One of the clearest arrangements is **fee-only**: the advisor is paid solely by clients and accepts no commissions, referral fees, or payments from product providers. Fee-based (a mix of fees and commissions) and commission-based models are common, but they introduce incentives you should understand before you sign.

2. Will you act as a fiduciary at all times?

WHAT TO LISTEN FOR

A fiduciary is legally required to put your interests first. Some advisors are fiduciaries only for certain accounts or services. A strong answer is an unqualified yes, with a willingness to confirm it in writing. Qualifiers such as "when managing certain accounts" deserve a follow-up.

3. What is your investment philosophy?

WHAT TO LISTEN FOR

A good answer should be grounded in discipline. Advisors who promise to beat the market, guarantee returns, or lean heavily on recent performance are describing a sales pitch, not a philosophy. Sound answers tend to emphasize diversification, managing risk and taxes, and helping you stay invested through market cycles.

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4. Is financial planning included, or just investment management?

WHAT TO LISTEN FOR

Investments are only one part of a financial life. Ask whether retirement projections, tax analysis, estate coordination, insurance review, and charitable planning are part of the ongoing service or cost extra. Firms differ widely here, and understanding the services included will help you make the best decision for your needs.

5. What are your qualifications?

WHAT TO LISTEN FOR

Recognized designations include the CFP® (comprehensive planning), CFA® (investment management), and CPA (tax) among others. These designations focus on different elements of the financial planning and investment management professions. The rigorous workload required implies a baseline level of dedication, and the professionals who earn these credentials are committed to upholding the highest standards in their respective fields.

6. Are you regulated and by what governing body?

WHAT TO LISTEN FOR

Most firms can be checked through public records: the SEC's Investment Adviser Public Disclosure site (adviserinfo.sec.gov) shows a firm's Form ADV, including its fees and conflicts. Firms that are also registered with a broker-dealer appear on FINRA's BrokerCheck (brokercheck.finra.org). A confident firm will point you to these resources itself.

7. Who owns the firm?

WHAT TO LISTEN FOR

Ownership shapes incentives. A firm owned by a bank, an insurer, or outside investors may face pressure to sell products, hit growth targets, or position itself for a sale, and an ownership change can mean changes to your fees, your advisor, or the firm's priorities. Ask how the current ownership is structured, and whether a sale or outside investment is on the horizon.

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How Foster & Motley answers these questions:

> We built this guide because these are the questions we would want a member of our own family to ask, and we are glad to answer them ourselves.

Foster & Motley is a **fee-only** registered investment adviser. Our only compensation is the advisory fee our clients pay us, on a published schedule, and we accept no commissions or payments from product providers. We are governed by the Securities and Exchange Commission (SEC) as an investment advisor and act as a **fiduciary at all times**, a commitment set out in our Form ADV, and we will confirm it in writing.

Our team holds credentials including **CFP®, CFA®, and CPA** designations, with ongoing continuing education required of every advisor. The firm is registered with the National Association of Personal Financial Advisors (NAPFA), and we manage **$3 billion* in client assets for about 900 client families**, covering retirees, professionals, business owners, and multigenerational families. Building long-term relationships with clients, and their families, has been an important part of our business since it was founded in 1997.

Our clients are served by both a **financial planner and an investment manager working as a pair**, so financial planning and investing are coordinated. Our investment approach rests on broad diversification and discipline rather than market timing. Tax-aware investing, including tax-loss harvesting and Roth conversion analysis, is part of our planning process. After onboarding, most clients meet with us twice a year and whenever circumstances change, with secure account access through the My F&M portal in between.

Foster & Motley is employee-owned with 100% of ownership held by current and retired employees. We are independent and not backed by outside investors, so our priorities stay aligned with our clients rather than an outside owner.

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*As of July 2026. Assets under management will vary based on market fluctuations.

You can review our Form ADV, fees, and history on the SEC's Investment Adviser Public Disclosure site by searching for "Foster & Motley" at adviserinfo.sec.gov. Additional resources:

- Form ADV
- Why advisor credentials matter