Benefits of working with an Investment Advisor



Before you start looking for an Advisor, ask yourself what you need in the way of professional advice. It is important to match the Investment Advisor's credentials to your situations/needs.

If you have a PROBLEM

If you believe you were treated unfairly or faced certain irregularities when interacting with your Investment Advisor you could follow the following process.

Complain to the Compliance Officer of your Stock Broker Firm within 3 months in writing

If unsatisfied with the decision or the way it was dealt with refer it to the CSE in writing

Complaint is handled by officers appointed by the CEO of the CSE

If not satisfied with the decision such party can appeal to the Dispute Resolution Committee of the CSE

The decision of the Dispute Resolution Committee is referred to the Board of Directors of the CSE for ratification

Decision is informed to the investor

SECURITIES AND EXCHANGE COMMISSION OF SRI LANKA

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Is your MONEY in SAFE HANDS?

Many Investment Advisors are eager to give you advice when investing in the stock market. Let us see how you could choose one that best suits your needs.





Select a SUITABLE INVESTMENT ADVISOR and ENHANCE YOUR FINANCIAL WELL-BEING in the Stock Market

Selecting the right Investment Advisor is a challenging task. After all, your Investment Advisor plays an important role in your financial future.

Investors should be mindful to work with an Investment Advisor licensed as a Registered Investment Advisor (RIA) by the Securities and Exchange Commission of Sri Lanka (SEC).



How to find an **Investment Advisor**

There are plenty of Registered Investment Advisors who would render their services and it is upto you to evaluate them before you select one.

The best way to search for a competent Investment Advisor is to settle on the services you need and then schedule introductory meetings with several candidates. In addition you could obtain references from friends, collegues and professionals for a suitable Registered Investment Advisor.

Make sure to do your own evaluation on the individual as what is good for one person may not be good for another.

> When investing in the stock market you need to open an Account at the Central Depositary System (CDS) through a Stock Broker Firm. The Investment Advisor you select will direct you to open an account with the Stock Broker Firm he works for. It is best to be vigilant about the credentials of the Stock Broker Firm.

What is your experience and track record?

Look for someone who has been in business for several years and has the background to deal with your particular issues. You should not select on Investment Advisor based only on the Advisor's experience.

What is your investment philosophy?

You will need someone whose investment philosophy is in sync with yours and who will appreciate and abide by your tolerance for risk.

Ouestions to ask before you hire an Investment Advisor

How will our relationship work?

You will want to know whether you can talk to your Advisor directly or more likely to be interacting with a member of his or her staff.

Which Stock Broker Firm do vou work for?

It will be beneficial for you to know the credentials of the Stock Broker Firm.It is always best to work with a Stock Broker Firm that follows ethical trading practices.



FLEXES CREATIVE, MUSCLE

The Advisor comes with new and creative solutions to meet the investor's needs.

SPEAK YOUR LANGUAGE

The Advisor will clearly explain complex strategies and disclose all circumstances and risks.

COMMITTED TO YOU

Trustworthiness and integrity are the most important traits of an Advisor.

CAN TAKE A GUT PUNCH

The Advisor would not fall when markets go down and he will manage risk.

WILL DO HIS HOME WORK

The Advisor would give recommendations based on research and analytical reasoning.

PUTS HIMSELF IN YOUR SHOES The Advisor

should be empathetic and understanding towards the Investor's financial needs.

Anatomy of an Advanced Registered **Investment Advisor**

Making the most of the Relationship

Think of your relationship with your Advisor as a partnership, with both of you working to achieve your financial goals. You both have responsibilities in making it a success and similar to any relationship, open and honest communication is vital.

Make sure that all correspondence is given in written form.

Ask for clarifications if you don't understand advice given by your Investment Advisor.

Be prepared for each meeting and review your investments, Account Statements etc.

Inform your Investment Advisor if you encounter changes in personal or financial circumstances.



Investment Advisor and Agent

At times Stock Broker Firms may appoint any person or a corporate body as an agent. The primary role of an Agent is to introduce 'new clients' to the Stock Broker Firm. Unlike an Investment Advisor an Agent will not have the authority to execute transactions in

the market. When an individual approaches you and encourages you to invest in the market it is best to verify if he is an Agent or

an Investment Advisor.