9 REASONS YOU MIGHT WANT TO SLAP YOUR ADVISOR

Of course you shouldn't actually slap your advisor, but you should move on

Starting to doubt your financial advisor? Maybe you are becoming frustrated with some of the things they're saying – or not saying?

Here are nine warning signs that you probably need to move on from your current advisor (without slapping of course – that's just wrong).

You should move on when your advisor:

#1: Still Doesn't Know Your Needs

Suppose your doctor recommended surgery before even making a diagnosis? If your advisor doesn't learn your complete story, how can he or she possibly make a proper recommendation regarding your money?

A real financial planner takes time to ask the right questions:

- How much credit card debt do you carry?
- How is your health?
- How safe is your job?
- Do you want to buy a home?
- Do you have a will or trust?
- How much is in your emergency fund?
- How do you plan to pay for your kids' college education?
- When did you last check your beneficiaries?

Your advisor needs to know if investing makes sense for you now.

#2: Doesn't Reveal How They are Paid

Planners make money in many different ways: commissions, straight fees, fee-based or a combination of the three. Asking how your planner charges helps you know exactly what you pay throughout the working relationship. If you don't understand the explanation, have your advisor put it in writing.

#3: Makes You Feel Rushed

If you sense you are on the receiving end of a rapid-fire Boiler Room pitch for investments like in the movie, you need to run – fast. When investing for your retirement, assets must meet your needs as much as possible. Never feel pressured to act now or else.

#4: Wants Everything in One Investment

The adage about all your eggs has a lot of merit. You might be surprised how some advisors put their clients in the exact same mutual funds for all accounts (a Roth IRA might have different investments from a 529 account for example).

If your advisor is adamant about putting all your money into one investment, be wary. Diversification is typically the basic fundamental principle of any portfolio.

#5: Does Not Inform You of Changes

If watching CNBC is consistently the only way you learn about abrupt shifts in your holdings, make sure your advisor is on top of your investments and lets you know exactly how.

Sometimes you can give your advisor discretionary control, meaning he or she can make trades on your behalf. You still need to know what factors convince the advisor to overhaul your portfolio.

#6: Has No Legitimate Statements/Reports

Your advisor ought to send you a monthly statement summarizing all transactions, including deposits, withdrawals and current positions held. This statement must come directly from the brokerage firm or third-party custodian that holds your money, not from your advisor's office.

At minimum, quarterly and annual reports from your advisor need to detail return on your investments, as well as all fees and commissions.

These reports need to show all the realized gains or losses (money you actually made or lost from selling an investment), unrealized gains and losses (investments you own but have not yet sold) and returns of the market benchmarking indexes, such as the Standard & Poor's 500.

You can also routinely check your account balances online. Don't get caught up in the day-to-day fluctuations, though.

#7: Wants a Direct Check

The ultimate warning sign: Never, ever write a check directly to the advisor, especially if you are purchasing some kind of investment product. Every check must be payable to an institution, such as the custodian or the advising firm.

#8: Does Not Know Your Risk Tolerance

Imagine you're comfortable with a portfolio that acts like someone driving 55 mph but your advisor invests you more like someone trying to win a NASCAR championship. See a problem?

Plenty of advisors ask how much risk you like when investing. While a good conversation starter, the question in no way completely determines appropriate risk in your investments. Factors influencing your appetite for risk in your retirement savings, for instance, include how long you have left to save and your desired lifestyle in your golden years, to name two.

#9: Fails to Return Calls or Emails

Your advisor should return all clients' emails, phone calls and texts within 24 hours.

Challenging at times, but important.

Don't Slap, Just Walk Away

If your advisor shows any of these warning signs, you probably should move on. And you can do so with a phone call or an in-person meeting.

Slapping is never necessary.