

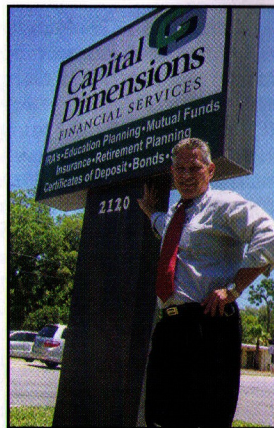
A Case for Credentialed Financial Planners

by Steve Hyers

San Marco Magazine has asked Steve Hyers of Capital Dimensions what the difference is between retail stock-brokers and Financial Planners?

Steve says that he's asked that question often. He points out some of the differences below and suggested that we may want to take a step-back and first define what's commonly perceived as a "financial advisor," as both stock-brokers and Financial Planners fit under that general description. He told us financial-advisors constitute anyone that a person chooses to give them advice and direction on financial matters. Pretty simple, right? Apparently there's more to it.

Steve stated that a stock-broker is an employee of a "retail" (brokerage, bank or insurance company) firm that underwrites stocks, bonds and other financial products. The retail-firm usually has proprietary products that, in many cases, are promoted (PUSHED) by the employees

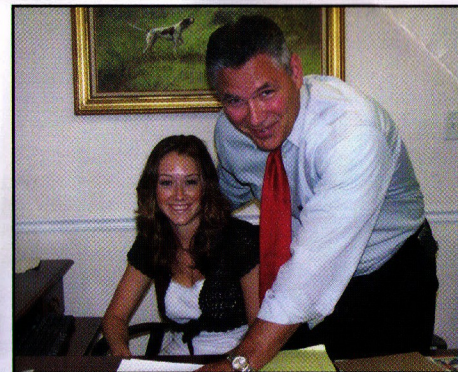


Steve Hyers and his business Capital Dimensions are now "landmarks" on University Blvd.

which allows the broker to offer stocks, bonds, and a variety of other products. These retail-brokers make up the vast majority of the individuals classified under the description of "financial-advisor".

Financial-Planners can work within a retail-brokerage

of the firm they represent. In some cases, the "broker" has the latitude to offer products not proprietary to the firm represented. The broker usually works out of a facility associated with, or owned by, the retail firm itself. The broker usually has either a series-six (can sell mutual funds and annuities only) or a series seven registration,



Steve Hyers training his assistant Becca in the world of Finance.

company, or like Steve, become "INDEPENDENT" and "free-standing" within the structure and operation of the firm. A high percentage of Financial-Planning firms, such as Capital Dimensions, are owned by the Financial-Planner(s) who employee or partner with other planners and have a large enough "book-of-business" (assets under management and usually a minimum of 10 to 20 million dollars) to allow them to choose which broker-dealer they affiliate with. In many cases, those broker-dealers have certain criteria and requirements that allow them to maintain higher standards than their competitors.

Taking it to an even higher level, Steve suggests that a **credentialed Financial Planner** has designations and degrees that are related to their profession, many with Finance, Economics, Statistics or Business Degrees. They are almost always Chartered Financial Consultants (ChFC's) and/or Certified Financial Planners (CFP's), and with those designations required to pass national standardized tests to become specialists in the areas of: wealth creation (investments), retirement planning, estate planning, loans, insurance, education planning and other areas of concern to the client. They often have a series 24 (Principal) registration that allows them to manage others working with them at the firm, in addition to the series seven and other registrations. Financial Planner's generally offer clients the CHOICE between Advisory/Fee based planning or commission based planning, depending on the client's individual circumstances. Financial-Planners offering Advisory services must be registered in each state they choose to practice in.

The term "INDEPENDENCE" is the most important feature of a credentialed Financial Planners platform/business model.

As a credentialed-Financial-Planner (ChFC), Steve offers his clients services and costs

proprietary (specific retail broker, bank or insurer) platform/company. The client not only gets the stability of knowing that he or she is dealing with the same person over many years (no employee turn-over), but also the freedom to choose products available from many different providers.

Steve suggests that you consider the importance of a credentialed Financial Planner and Independent Broker Dealer. Steve's B/D - LPL Financial - is the largest Independent Broker-Dealer in America (based on total revenues, as reported in Financial Planning Magazine, June 1996-2007) and the sixth largest B/D overall (with over 12,000 advisors affiliated with LPL Financial).

You can call Steve Hyers at Capital Dimensions Financial Services if you have any questions. You can reach him at (904) 730-3877 or drop by his office on University Blvd., three blocks off San Jose Blvd. and directly across from Lakewood Presbyterian Church. Capital Dimensions is located right here in the San Marco and San Jose neighborhoods.

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