

Is KSI a Good Fit for My Practice?

Most Advisors make an emotional decision when they plan to leave their existing broker/dealer. Moving your book of business is a long and laborious process. It is something you don't want to do too many times throughout your career. This is why it is extremely important to take your time. Get to know everything you need to know about the potential company. Time spent in the Due Diligence process will save you headaches down the road.

There are many things to consider when choosing your new broker/dealer. Some issues will be more important to you than others, so take the time to figure out what is most crucial, not as crucial etc... We advise our clients to jot down the five or so items most important to their practice, then when doing Due Diligence these can be the areas that are focused on the most.

General

- What sort of access do you have to Senior Management?
- How long has the firm been in business?
- What is the firm's gross revenue?
- How many reps?
- How many employees are there in the back office for support?
- What is the level of expertise of the back office?
- What is the net capital of the firm?
- Is the broker/dealer registered in all states in which you plan to do business?
- What is the firm's coverage for errors and omissions insurance and does it include fraud allegation?
- What are the long term plans of the broker/dealer?
- What are the requirements for becoming an office of supervisory jurisdiction (OSJ)?
- Can you recruit other representatives and receive an override on the business they place if you serve as their office of supervisory jurisdiction?
- Is the firm a Registered Investment Advisor? Can you transact business under their RIA?
- What is the firm's product mix? Does it align with yours currently or where you intend to be in the future?

Technology

- What forms of technology does the firm use? What is the process to learn how to use it?
- What type of access is available to your clients' accounts? Can you access them via the computer?
- How do you enter trades? What type of access do you have to traders?
- What type of accessibility will you have for stock quotes, research or news?

Products

- What mutual funds, variable annuities and variable life insurance products are on the firm's approved list?
- Can packaged products be networked on one statement?
- What marketing materials are supplied by the broker/dealer?
- Can you see a sample of your client's statement? Will your name appear on the statement?
- Will you have access to cash management accounts to provide your clients a debit card and check-writing privileges?

Payout

- Are there monthly costs associated with the broker/dealer?
- What are ticket charges at the new broker/dealer?
- In comparing your production run to the new company's payout, what would you net in your pocket if you did those same transactions with the new broker/dealer?
- Does the broker/dealer take their piece before or after clearing cost?

**These are not all of the questions an Advisor might want to ask before considering a move, but hopefully they will stimulate your thought process. Always feel free to ask your Recruiter any and all questions that are important to your practice.*