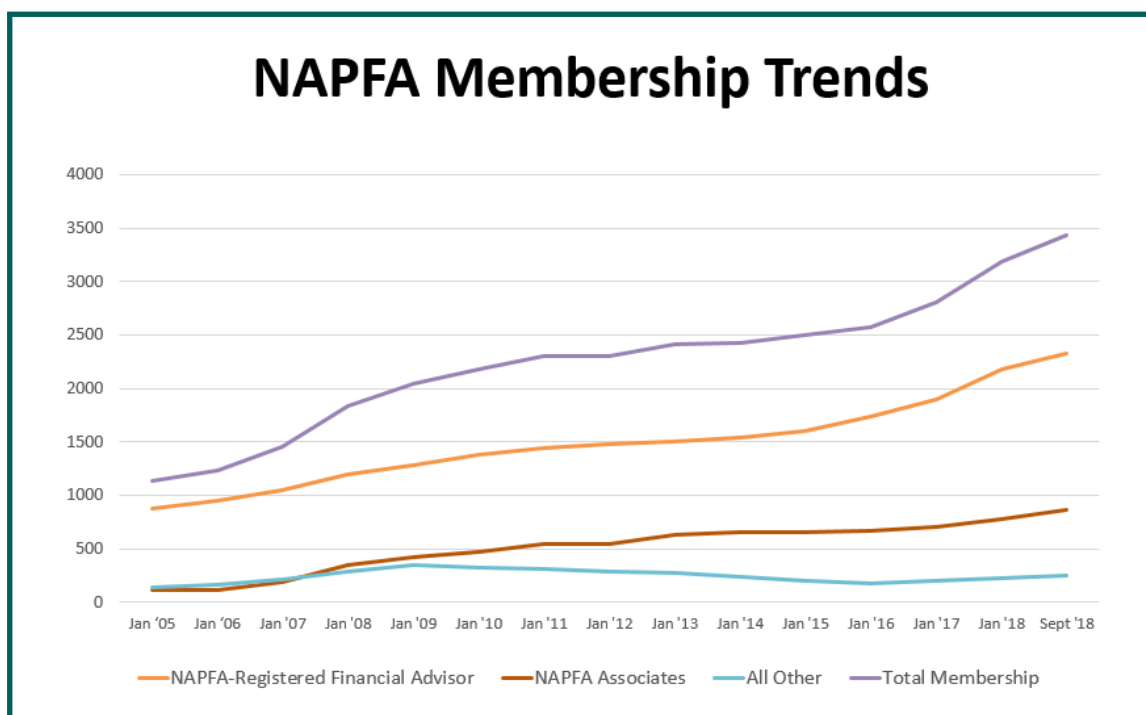


The National Association of Personal Financial Advisors (NAPFA) is a professional association of Fee-Only financial advisors, providing support and education for its members. NAPFA-Registered Financial Advisors must meet certain educational standards to be eligible for membership. For instance, they must hold the CFP<sup>®</sup> designation and complete 60 hours of continuing education every two years. Members must also abide by the NAPFA code of ethics, comply with all federal and state statutes and regulations, and make all required regulatory filings. In addition, members must also be *Fee-Only* financial advisors.

NAPFA defines Fee-Only compensation as a financial advisor “who is compensated solely by the client with neither the advisor nor any related party receiving compensation that is contingent on the purchase or sale of a financial product.”<sup>1</sup> In other words, NAPFA members may not receive commissions, fees, bonuses, rebates or any other type of compensation derived from the recommendations that are given to the client. They are also prohibited from owning or being employed by a financial industry services firm that receives these commissions or rebates.



There are many benefits from working with Fee-Only NAPFA-Registered Financial Advisors. They can offer objective, independent advice, free from the conflicts of interest that occur from the sale of commission-based products. NAPFA-Registered Financial Advisors act as fiduciaries, working on behalf of the investor’s best interest, not their own interests. Investors are becoming more educated about financial advisors and understand the benefits of objective financial advice. NAPFA-Registered Financial Advisors are meeting the investor demand for a fiduciary standard of care. By joining NAPFA, financial advisors can demonstrate to potential clients that they can offer the fiduciary standard of care. The chart shows how NAPFA membership has grown over the years between 2005 to 2018. NAPFA is an excellent resource for investors to find advisors that will offer the most objective financial advice possible.

1. Retrieved from <https://www.napfa.org/membership/our-standards>