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Chicago, IL—Carmel, IN | **Leading Wealth Advisor**

**Oxford Financial Group, Ltd.™**

Jeffrey H. Thomasson, CFP®

Robert W. Hauswirth, MBA, CFA, CFP®, CPA, PFS

Charles L. Heekin

# “What does it really mean to be an independent financial advisor?”

By Jeffrey H. Thomasson, Robert W. Hauswirth and Charles L. Heekin

The term “independent financial advisor” can mean different things. For some firms, it seems to mean that they do whatever they want—independent, ironically, of their clients’ best interests.

Independence, as it relates to financial advisory firms, has three distinct but interconnected facets: independence of advice, independence of ownership, and independence of client experience.

**Independence of advice** is fairly straightforward: Eliminate conflicts of interest that might affect recommendations made to clients. Truly independent advisors will have no proprietary products and no revenue-sharing agreements with other money managers, will accept no soft dollars or 12b-1 fees, and will have no financial affiliations with other institutions. Their only source of revenue is fee for service. They will have a fiduciary relationship with their clients, and their advice will be determined by their clients’ best interests. Period.

**Independence of ownership** is, at first glance, less straightforward, but equally important. Why? Because the owners of a company ultimately determine how the firm—and all of its divisions—will

operate and compete in the industry. Financial advisory firms that are small parts of large institutions compete for corporate resources. They often have financial performance targets and may have to cross-sell other lines of business. Minor shifts in direction at corporate headquarters can affect them.

Independent advisory firms are employee-owned and go to great lengths to ensure they control their own destiny. Independent ownership allows them to focus exclusively on their clients’ needs.

**Independence of client experience** means customized advice that is handcrafted for unique circumstances. Each client has a different set of objectives and constraints, and the right solutions have to be tailored for each one. The best independent advisors will not force clients into model allocations, will not try to mass customize portfolios, and will never recommend a strategy unless it is precisely the right thing for a particular situation.

The next time an advisor touts independence, ask this: What does it really mean to be an independent financial advisor? You will know the answer. But will they? 🗨

## THREE HIDDEN FEES TO WATCH FOR

In a time when asset values are under pressure, many banks, trust companies and wirehouses depend on a variety of fees to support revenue growth from advisory clients. Some of these fees are hidden in places you might not expect, and trying to find them can be like playing a financial version of Where’s Waldo.

**01 Custody and trade settlement:** Often, there is an individual “ticket” charge for each trade that is settled in a separately managed account, in addition to a percentage-based custody fee. In high-turnover accounts, these charges can add up quickly.

**02 Internally managed products:** Who in their right mind would pay (or charge) 50 basis points for an internal money market fund? But it happens, and clients often do not notice.

**03 Soft dollars:** These are above-market commissions for trades directed to specific brokers, which are then effectively kicked back to managers to pay for equipment and research services.

## “Independence of client experience means customized advice that is handcrafted for unique circumstances.”

– Oxford Financial Group, Ltd.

### How to reach Oxford Financial Group, Ltd.

To reach Oxford Financial Group, call 317.843.5678 for Jeffrey H. Thomasson or 312.846.6000 for Robert W. Hauswirth and Charles L. Heekin.

#### MY AREAS OF CHARITY AND COMMUNITY INVOLVEMENT INCLUDE...

**Jeffrey:** Youth services, humanitarian activities, museums, education, arts and culture

**Robert:** Education, health and human services, arts and culture

**Charles:** Arts and education, children's charities and environmental causes

#### A GOOD WEALTH ADVISOR...

**Jeffrey:** Sincerely appreciates that clients expect and demand value for their money

**Robert:** Understands that client relationships are truly the foundation of the business

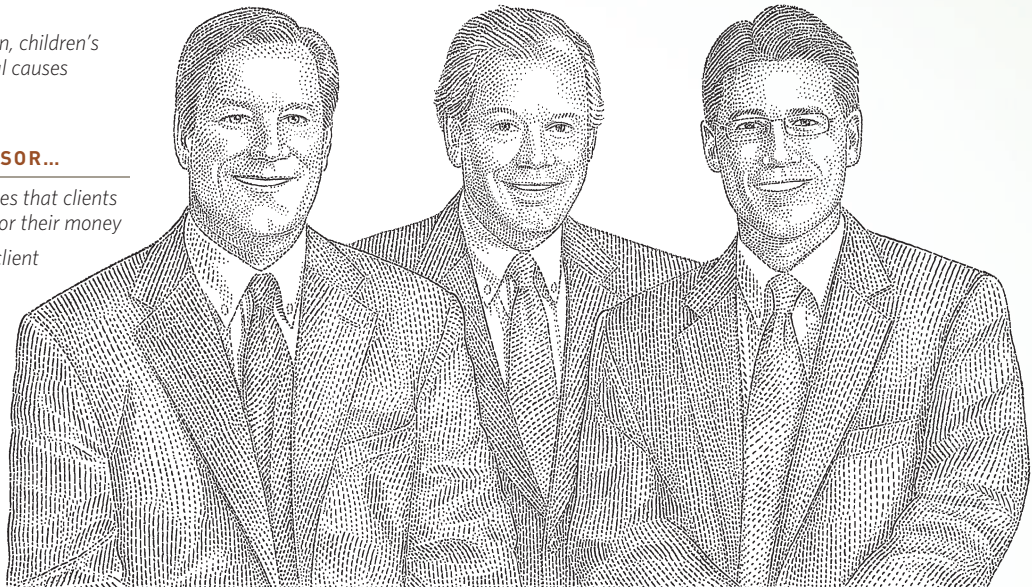
**Charles:** Is committed to delivering consistent and unbiased advice

#### MY HOBBIES ARE...

**Jeffrey:** Antiques, art collecting, film, painting, opera, music and theater

**Robert:** Golfing, racquetball, running, biking, theater and film

**Charles:** Sports, scuba diving, hiking, travel, historical literature and live music



Left to right: Charles L. Heekin, Jeffrey H. Thomasson and Robert W. Hauswirth

### About Oxford Financial Group, Ltd.

Founder Jeffrey H. Thomasson is CEO and managing director of Oxford Financial Group, Ltd. He is committed to serving clients' financial and investment planning needs and has been doing so for more than 25 years. He obtained the Certified Financial Planner designation through study in the fields of investment, insurance and retirement and estate planning. He received the Indiana University Kelley School of Business Distinguished Entrepreneur Award. Robert W. Hauswirth is a director in Oxford's Chicago office, where his focus is providing clients with comprehensive investment and financial advice, which he has been doing for more than 15 years. He earned his MBA from Northwestern University's Kellogg School of Management. Charles L. Heekin is a director in Oxford's Chicago office, focusing on business development and advising clients. His experience includes 10 years on Wall Street working in capital markets, advising professional money managers, financial institutions, charities and endowments.

Assets Under Management  
**\$8.4 billion (globally)**

Minimum Fee for Initial Meeting  
**None required**

Minimum Net Worth Requirement  
**\$5 million (planning services)  
\$2 million (investment services)**

Largest Client Net Worth  
**Confidential**

Financial Services Experience  
**64 years (combined)**

Compensation Method  
**Fixed fees (planning services) and asset-based fees (investment services)**

Primary Custodian for Investor Assets  
**The Trust Company of Oxford, Fidelity and Schwab**

Professional Services Provided  
**Planning and investment advisory services**

Website **www.ofgltd.com**

Email **jthomasson@ofgltd.com  
rhauswirth@ofgltd.com  
cheekin@ofgltd.com**

Oxford Financial Group, Ltd.

980 North Michigan Avenue, Suite 1080, Chicago, IL 60611  
11711 North Meridian Street, Suite 600, Carmel, IN 46032

312.846.6000  
317.843.5678



Jeffrey H. Thomasson, CFP®  
Robert W. Hauswirth, MBA, CFP®, CFA®, CPA, PFS  
Charles L. Heekin

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**Oxford Financial Group Ltd.™**  
980 North Michigan Avenue, Suite 1080  
Chicago, IL 60611  
Tel. 312.846.6000

11711 North Meridian Street, Suite 600  
Carmel, IN 46032  
Tel. 317.805.5000

Email: [jthomasson@ofgltd.com](mailto:jthomasson@ofgltd.com)  
Email: [rhauswirth@ofgltd.com](mailto:rhauswirth@ofgltd.com)  
Email: [cheekin@ofgltd.com](mailto:cheekin@ofgltd.com)  
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