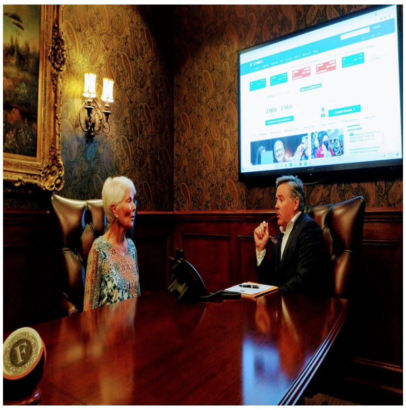

Tied, Independent or Robo Adviser: Verify the Advice Channel Before the Product

Description

â??Independentâ?•, â??bank adviserâ?• and â??robo adviserâ?• describe a channel, not the quality or suitability of a recommendation. A Singapore consumer should verify the legal firm first, then the individual representative where one is involved, then ask what products the channel can recommend and how it is paid.

MoneySenseâ??s guide to financial-advice providers says representatives may be appointed by licensed financial advisers, banks, insurance companies or brokerages and receive a unique MAS representative number. Digital advice still comes from a regulated business. An app interface does not remove the firmâ??s responsibility for its service.

Compare the channel on four questions

Channel	Product shelf	What to ask
Tied or institution-linked	May focus on the institutionâ??s or partnersâ?? products	Which alternatives outside this shelf were not considered?
Financial advisory firm	May offer products from multiple providers	How broad is the actual panel for this product type?
Independent-labelled service	The label has regulated conditions and should not be assumed from branding	On what basis does the firm use â??independentâ?•, and how is it paid?
Robo or digital adviser	Model portfolios or products selected through an algorithmic process	What data drives the recommendation, who monitors it and how can a consumer escalate?

None of these structures is automatically best. A narrow shelf can still contain a suitable product, while a broad shelf does not prove a representative considered it properly. The point is to make the constraint visible.

First verification route: the firm

Search the exact legal name in the MAS Financial Institutions Directory. Confirm the entity, its current status and the regulated activity relevant to the service. Do not rely on a logo, a social-media profile or a screenshot sent by the person contacting you.

A trading name may differ from the licensed legal entity. Ask the provider to state the entity that contracts with you, then match it independently. If the name is absent or the licence scope does not fit the proposed advice, stop before sending identity documents or money.

Second verification route: the person and contact

Where a human representative is involved, verify the representative through official MAS sources and contact the firm using details obtained independently. A real name can be impersonated. Treat an unsolicited messaging-app approach, urgency or a request to transfer money to a personal account as a separate scam risk even when the firm exists.

The product-shelf interview

1. How many providers and products in this category were available to the recommendation process?
2. Which suitable alternatives were considered and rejected?
3. What commission, fee, platform payment or other benefit applies?
4. Can the recommendation change if I pay a fee instead of buying a product?
5. What assumptions about income, liabilities, dependants, horizon and loss capacity were used?
6. What happens if my circumstances or the product change?

Ask for the answers in the recommendation and needs-analysis records, not only in conversation. Our needs-analysis file guide explains what to preserve before acceptance.

Robo advice needs a human accountability map

A digital questionnaire may make the experience consistent, but consumers should still understand who designed and governs the model. Check how missing answers are handled, whether a user can override risk classification, what triggers rebalancing and who reviews exceptions. Ask how to correct bad input and make a complaint.

Algorithmic convenience also creates a data-quality risk. If a user understates a near-term cash need or treats unstable income as guaranteed, the output may be internally consistent and still unsuitable. Save the questions, answers, risk score and recommendation date.

A simple evidence card

Field	Record

Legal firm	Name matched to MAS source
Representative	Name and official verification result
Contact	Firm channel used for confirmation
Product range	Providers and alternatives considered
Payment	Fees, commission and conflicts disclosed
Advice record	Needs, assumptions, recommendation and limitations

For a step-by-step search, use our MAS adviser-register guide. Repeat the check immediately before a material transaction if time has passed.

The channel decision

Choose the service only after the legal firm, person, shelf and payment are clear. â??Independentâ?• is not a substitute for verification, â??bankâ?• is not a guarantee of suitability, and â??roboâ?• is not the absence of a regulated provider. The useful comparison is which verified process can explain and evidence a recommendation for your actual needs.

Test the same need across channels

Give each verified provider the same short fact set: objective, horizon, income stability, emergency reserve, liabilities and maximum tolerable loss. Compare how the recommendation changes. If providers appear to solve different problems, ask them to explain the divergence before comparing fees or projected returns.

Do not disclose more identity data than the stage requires. A preliminary channel comparison should not require banking credentials, Singpass login or a transfer.

Red flags in the first conversation

- The person will not name the contracting legal entity.
- The recommendation arrives before needs and liabilities are recorded.
- â??Independentâ?• is used but product providers and remuneration are hidden.
- Returns are emphasised while loss capacity and liquidity are ignored.
- The consumer is pushed to sign, transfer or share an OTP immediately.

Stop and verify through the firmâ??s official contact. A representative who objects to independent verification is creating a trust problem, not solving one.

Compare total cost in dollars

For each option, estimate platform, advisory, product, transaction and exit costs over the intended holding period. Label assumptions. A low advisory fee can sit beside a high product cost; a commission-paid service can still involve other charges. Ask which costs are certain and which depend on trading or performance.

Review after purchase

Retain the signed recommendation, disclosures, statements and any algorithmic questionnaire. Set a review when income, dependants, debt, goal or risk capacity changes. The review should ask whether the product still serves the original task, not whether recent performance alone makes the adviser look right.

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