



How Independent RIAs Approach Alternative Assets

An Educational Overview for Financial Professionals

"For Financial Professional Use Only"

Purpose of This Guide

This guide provides a high-level overview of how independent registered investment advisory firms commonly think about **alternative asset categories** from a structural and operational perspective.

It is intended for financial professionals who want general context around how non-public assets are typically evaluated, organized, and implemented within advisory firm frameworks.

This document does **not** reference performance, forecasts, or suitability considerations. It does **not** provide recommendations or guidance for any specific client situation.

The goal of this material is purely educational: to outline common approaches and considerations that exist across independent RIA practices when alternative asset categories are part of broader portfolio discussions.

Why RIAs Explore Alternative Asset Categories

Independent RIAs approach asset allocation in different ways depending on firm size, client profile, and internal processes. In some cases, advisory firms choose to explore asset categories beyond publicly traded securities as part of their overall planning and portfolio construction philosophy.

Common contextual factors that may lead firms to evaluate alternative asset categories include:

- Client portfolios that extend beyond traditional public equity and fixed-income exposures
- Institutional allocation frameworks that incorporate non-public assets
- Long-term planning discussions that consider a broader range of asset categories
- Firm-level interest in understanding how institutional allocators structure portfolios

Not all advisory firms incorporate alternative assets, and those that do may do so selectively, depending on internal review standards and compliance considerations.

Common Alternative Asset Categories (Overview)

The categories below are presented for general classification purposes and may vary widely in structure, access, and oversight.

- ❏ The term "alternative assets" generally refers to asset categories outside of traditional publicly traded stocks and bonds. Within advisory and institutional contexts, alternative assets are often discussed in broad categories rather than as individual opportunities.

Common categories include:

Private Credit

Typically associated with lending or credit-oriented strategies that are not publicly traded. These structures may involve corporate, asset-based, or specialty lending arrangements.

Private Equity

Generally refers to ownership interests in non-public companies or enterprises. These structures are often long-term in nature and are evaluated within broader allocation frameworks.

Growth & Income Strategies

May include a mix of non-public assets designed to align with specific structural objectives defined by the advisory firm or platform.

These categories are descriptive in nature and may vary significantly in structure, access, and implementation depending on the firm or platform involved.

Operational Considerations for Advisory Firms

When advisory firms evaluate alternative asset categories, operational and administrative considerations are commonly reviewed alongside investment philosophy.

Common firm-level considerations may include:

Subscription and onboarding processes

Non-public assets often involve documentation and workflows that differ from publicly traded securities.

Tax reporting formats

Alternative asset structures may require specialized reporting and coordination with tax professionals.

Due diligence workflows

Firms may establish internal review processes to evaluate asset structures, managers, and platforms.

Client communication requirements

Advisors may determine how alternative asset categories are presented and explained within planning discussions.



Structural Approaches RIAs May Use

Independent RIAs use a variety of structural approaches when incorporating alternative asset categories into firm-level frameworks. These approaches differ based on internal preferences, compliance standards, and operational capacity.

Common structural approaches include:

1

Direct Access

Some firms evaluate and access individual non-public opportunities directly. This approach may involve firm-specific due diligence processes and customized client communication workflows.

2

Platform-Based Access

Other firms utilize third-party platforms that aggregate access to multiple alternative asset categories. These platforms may provide centralized onboarding, reporting, and administrative support.

3

Aggregated or Fund-Style Structures

In certain cases, advisory firms evaluate structures that consolidate exposure to multiple alternative asset categories within a single framework. These approaches are often assessed in the context of operational efficiency, reporting consistency, and internal oversight.

There is no single approach used universally across independent RIA practices. Firms typically select structures that align with their internal processes, client service models, and compliance requirements.

Closing Context & Disclosures

Closing Context

Independent RIAs approach alternative asset categories in different ways depending on firm size, client needs, and internal operating models.

This guide is intended to provide general context around how advisory firms commonly frame discussions related to alternative assets, without reference to outcomes, performance expectations, or specific implementation recommendations.

Each firm determines whether and how alternative asset categories fit within its broader advisory framework based on its own review standards and professional judgment.



Disclosures

This material is provided for **informational purposes only** and is intended solely for **financial professionals**.

Nothing contained herein constitutes an offer, solicitation, recommendation, or endorsement of any financial product, strategy, or service.

The information presented does not consider the objectives, financial situation, or needs of any specific individual or entity. Advisory firms should conduct their own independent evaluation and consult appropriate legal, tax, and compliance professionals before implementing any asset-related strategies.

This material does not reference or promote any specific fund, security, or investment vehicle.