

June 18, 2015 12:04 am

# Methodology: FT 300 Top Registered Investment Advisers

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In assembling the FT 300 list, we assessed registered investment adviser (RIA) practices from the perspective of current and prospective investors.

The FT's methodology examines the database of RIAs that are registered with the US Securities and Exchange Commission and selects those practices reporting to the SEC that have \$300m or more in assets under management (AUM). This assures a list of companies with established and institutionalised investment processes. The RIA companies have no subjective input.



The FT then invites those qualifying RIA groups, which amount to more than 2,000, to provide further information about their practices.

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That is augmented with our research, including data from regulatory filings. Some 650 RIA companies qualified, meaning 48 per cent of them made the list.

The formula the FT uses to grade advisers is based on six broad factors and calculates a numeric score for each company. Areas of consideration include AUM, asset growth, the company's years in existence, industry certifications of key employees, SEC compliance record and online accessibility:

- **AUM:** signals experience in managing money and client trust
- **AUM growth rate:** growing assets is a proxy for performance, asset retention and ability to generate business

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- **Company's years in existence:** indicates reliability and experience in managing assets
- **Compliance record:** provides evidence of past client disputes — a string of complaints can signal potential problems
- **Industry certifications (such as CFA and CFP):** show technical and industry knowledge and a commitment to investment skills
- **Online accessibility:** this illustrates commitment a to providing investors with easy access and transparent contact information

AUM and asset growth comprised roughly 80 to 85 per cent of each adviser's score.

We present the FT 300 as an elite group, not a competitive ranking from 1 to 300. This identifies the industry's best advisers while accounting for the firms' different approaches and varied specialisations.

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